

CONGRESSIONAL RECORD.

PROCEEDINGS AND DEBATES OF THE SIXTY-THIRD CONGRESS.

SECOND SESSION.

SENATE.

Monday, December 1, 1913.

The first Monday in December being the day prescribed by the Constitution of the United States for the annual meeting of Congress, the second session of the Sixty-third Congress commenced on this day.

The Senate assembled in its Chamber at the Capitol.

The VICE PRESIDENT (THOMAS R. MARSHALL, of Indiana) took the chair and called the Senate to order at 12 o'clock noon.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, according to our ancient custom we come to Thee. Our fathers were men of prayer, and out of the resources of Thy grace they received wisdom to guide them in laying the foundation of this great Nation. In every time of stress and storm Thy people have gone to Thee for guidance, for protection, and for blessing. When the Nation was born, it was born in prayer. In the days of difficulty and mystery and darkness unceasing prayer was made, and in this larger day of peace and prosperity we still come asking that Thou wilt teach us how to follow the arts of peace with the same success as our fathers laid the foundations of the Government and led us on to this moment.

We pray that in facing the increasing problems of this great Nation at the beginning of this new session of the Senate the conscious power and presence of God may be felt and that every Senator in this honorable body may realize that his first and highest obligation is to God.

Bless us in all our life work. Bless our land and Nation with continued peace and prosperity. And we pray that onward we may go as an evangel among the nations of the earth, bringing everywhere to our sphere of influence peace and good will among men. For Christ's sake. Amen.

CALLING OF THE ROLL.

The VICE PRESIDENT. That it may be ascertained whether a constitutional number of Senators are present for the transaction of business, the Secretary will call the roll.

The Secretary called the roll and the following Senators answered to their names:

Ashurst	Goff	Overman	Smith, S. C.
Bacon	Gore	Owen	Smoot
Bankhead	Gronna	Page	Stephenson
Borah	Hollis	Penrose	Sterling
Bradley	Hughes	Perkins	Stone
Brady	James	Pittman	Sutherland
Brandeggee	Johnson	Poindexter	Swanson
Bristow	Kenyon	Pomerene	Thomas
Bryan	Kern	Ransdell	Thompson
Burleigh	La Follette	Reed	Thornton
Burton	Lane	Robinson	Tillman
Chamberlain	Lewis	Root	Townsend
Chilton	McCumber	Saulsbury	Vardaman
Clapp	McLean	Shafroth	Walsh
Clark, Wyo.	Martin, Va.	Sheppard	Warren
Clarke, Ark.	Martine, N. J.	Sherman	Weeks
Cole	Myers	Shields	Williams
Cummins	Nelson	Shively	Works
Dillingham	Newlands	Simmons	
du Pont	Norris	Smith, Ariz.	
Gallinger	O'Gorman	Smith, Ga.	

Mr. SHEPPARD. My colleague, the senior Senator from Texas [Mr. CULBERSON], is unavoidably absent. He is paired with the Senator from Delaware [Mr. DU PONT]. This announcement may stand for the day.

Mr. WEEKS. I wish to announce that my colleague [Mr. LODGE] is absent on account of illness and to have this announcement stand for the day. He is paired with the junior Senator from Georgia [Mr. SMITH].

Mr. BRYAN. My colleague [Mr. FLETCHER] is unavoidably absent. He is paired with the senior Senator from Wyoming [Mr. WARREN].

Mr. SMOOT. I desire to announce that the senior Senator from Delaware [Mr. DU PONT] is unavoidably detained from the Senate.

The VICE PRESIDENT. Eighty-one Senators have answered to the roll call. A quorum of the Senate is present.

LIST OF SENATORS.

The list of Senators by States is as follows:

Alabama—John H. Bankhead.
Arizona—Henry F. Ashurst and Marcus A. Smith.
Arkansas—James P. Clarke and Joe T. Robinson.
California—George C. Perkins and John D. Works.
Colorado—John F. Shafroth and Charles S. Thomas.
Connecticut—Frank B. Brandeggee and George P. McLean.
Delaware—Henry A. du Pont and Willard Saulsbury.
Florida—Nathan P. Bryan and Duncan U. Fletcher.
Georgia—Augustus O. Bacon and Hoke Smith.
Idaho—William E. Borah and James H. Brady.
Illinois—James Hamilton Lewis and Lawrence Y. Sherman.
Indiana—John W. Kern and Benjamin F. Shively.
Iowa—Albert B. Cummins and William S. Kenyon.
Kansas—Joseph L. Bristow and William H. Thompson.
Kentucky—William O. Bradley and Ollie M. James.
Louisiana—Joseph E. Ransdell and John R. Thornton.
Maine—Edwin C. Burleigh and Charles F. Johnson.
Maryland—William P. Jackson and John Walter Smith.
Massachusetts—Henry Cabot Lodge and John W. Weeks.
Michigan—William Alden Smith and Charles E. Townsend.
Minnesota—Moses E. Clapp and Knute Nelson.
Mississippi—John Sharp Williams and James K. Vardaman.
Missouri—James A. Reed and William J. Stone.
Montana—Henry L. Myers and Thomas J. Walsh.
Nebraska—Gilbert M. Hitchcock and George W. Norris.
Nevada—Francis G. Newlands and Key Pittman.
New Hampshire—Jacob H. Gallinger and Henry F. Hollis.
New Jersey—William Hughes and James E. Martine.
New Mexico—Thomas B. Catron and Albert B. Fall.
New York—James A. O'Gorman and Elihu Root.
North Carolina—Lee S. Overman and F. M. Simmons.
North Dakota—Asie J. Gronna and Porter J. McCumber.
Ohio—Theodore E. Burton and Atlee Pomerene.
Oklahoma—Thomas P. Gore and Robert L. Owen.
Oregon—George E. Chamberlain and Harry Lane.
Pennsylvania—George T. Oliver and Boies Penrose.
Rhode Island—LeBaron B. Colt and Henry F. Lippitt.
South Carolina—Ellison D. Smith and Benjamin R. Tillman.
South Dakota—Coe I. Crawford and Thomas Sterling.
Tennessee—Luke Lea and John K. Shields.
Texas—Charles A. Culberson and Morris Sheppard.
Utah—Reed Smoot and George Sutherland.
Vermont—William P. Dillingham and Carroll S. Page.
Virginia—Thomas S. Martin and Claude A. Swanson.
Washington—Wesley L. Jones and Miles Poindexter.
West Virginia—William E. Chilton and Nathan Goff.
Wisconsin—Robert M. La Follette and Isaac Stephenson.
Wyoming—Clarence D. Clark and Francis E. Warren.

NOTIFICATION TO THE HOUSE.

Mr. BACON submitted the following resolution (S. Res. 223), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

NOTIFICATION TO THE PRESIDENT.

Mr. KERN submitted the following resolution (S. Res. 224), which was read, considered by unanimous consent, and agreed to:

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled, and that Congress is ready to receive any communication he may be pleased to make.

The VICE PRESIDENT appointed as the committee Mr. KERN and Mr. GALLINGER.

HOOR OF DAILY MEETING.

Mr. KERN. Mr. President, I move the adoption of the following resolution.

The resolution (S. Res. 225) was read, as follows:

Resolved, That the hour of daily meeting of the Senate be 10 o'clock a. m. until otherwise ordered.

Mr. GALLINGER. Mr. President, I feel like appealing to the Senator from Indiana and his colleagues to let the sessions begin at the usual hour of 12 o'clock for the present. There does not seem to me to be any actual necessity for so early a meeting as 10 o'clock at the present time—this week, for instance. I think there will be no objection to having earlier sessions after a little while.

I will say to the Senator from Indiana that there has been no conference of the minority on this matter at all. I feel sure there is no disposition to obstruct the early passage of the currency bill, but it would be agreeable, I know, to some of us—it would be to me personally—if we could have the meeting at the usual hour for the present week.

Mr. KERN. Mr. President, in view of the urgent demands that are coming from all quarters that the business of the Senate should be hastened, it has been thought it would be better that we should have the daily sessions begin at 10 o'clock in the morning. It is true that there is a special order for this week, but the chairman of the Committee on Banking and Currency has already given notice that he desires to press the consideration of the banking and currency bill at all times during this week when the Senate is not occupied with the consideration of the Hetch Hetchy bill. An hour will be taken in the transaction of routine business, and it really means the meeting of the Senate at 11 o'clock.

While, of course, I would be glad to accommodate Senators on the other side, we have felt, and it seems to be the unanimous sentiment on this side, that the hour of meeting should be fixed at 10 o'clock.

Mr. GALLINGER. Then, I will make a further suggestion to the Senator from Indiana. It is that the matter be compromised, and that for the present week the hour of meeting shall be 11 o'clock. A Senator has a great deal of work to do, meetings of committees to attend, and correspondence that he must look after. I feel sure that if the Senators on the other side will accede to this, there will be no delay in the transaction of the public business.

Mr. KERN. Mr. President, if it were a personal matter with myself, I might entertain the proposition of compromise which comes, I know, in the proper spirit from Senators on the other side, but I can not speak for myself in the matter, and until otherwise arranged I hope there will be no objection to the order as I have proposed it.

Mr. GALLINGER. Then I move to amend the resolution by substituting 11 o'clock for 10 o'clock.

Mr. BACON. Mr. President, in order to avoid an issue of that kind I will take the liberty, with the consent of the Senator from Indiana, to inquire of the Senator from New Hampshire whether it is the purpose of Senators on the other side to hold a conference to-day? The Senator spoke of the fact that they had had no opportunity for a conference.

Mr. GALLINGER. I will simply say that I feel sure that within a day or two the minority will have a brief conference. We have not had any conference, not knowing what the program was to be, and it was never stated to us until this morning.

Mr. BACON. As we do not desire to have an issue made here upon which there would be a line drawn, in view of the fact that the other side of the Chamber is not now prepared to hold a conference, I will suggest to the Senator that this order stand until they have a conference, and then such suggestion as the Senator may make as a result of the conference, of course, would come in an attitude that would entitle it to consideration.

Mr. GALLINGER. I think the usual custom ought to stand until there seems to be a necessity for a change. I am quite willing personally, and I think I speak for my associates on this side of the Chamber, that we should meet at 11 o'clock for the present, and the matter of meeting earlier can be considered later on.

Mr. ROOT. Mr. President—

The VICE PRESIDENT. Does the Senator from New Hampshire yield to the Senator from New York?

Mr. GALLINGER. I do.

Mr. ROOT. I wish to ask the Senator from Indiana whether it is a part of the purpose with which this order is proposed that there shall be no meetings of committees of the Senate? I ask this because it is manifestly impossible that the ordinary work of committees of the Senate shall proceed if the Senate

is to meet at 10 o'clock, and it will produce a very different result if the committees are not to meet. If we are to meet at 10 o'clock in order that the Members of the Senate may be in their places to proceed with the discussion of the currency bill or of other measures of importance, to have a real discussion in which there shall be argument addressed to the Members of the Senate as a deliberative body, that is one thing, and I for one am willing to put myself to personal inconvenience for the purpose of facilitating that procedure; but, sir, if we are to meet and have the Members of the Senate immediately after the session begins scatter to their respective committee rooms for the purpose of conducting the necessary business which is conducted in committees, leaving an array of empty seats and Senators speaking to the empty air, with no result of their speaking except that their words shall be printed in the Record next—if the result be that Senators shall absent themselves from the Senate Chamber and there shall be no discussion really addressed to their intelligence, to their conscience and the wisdom and public spirit of Senators, this is an idle form, and we ought not indulge in it.

Mr. BORAH. Mr. President, I was going to make another suggestion that possibly might be acceptable to Senators on the majority side. It is that this order be not formally presented until to-morrow. There has been no opportunity to know what the program is to be nor how it is to be acted upon. It might be that by to-morrow the matter could be adjusted without a long-continued controversy in regard to it.

Mr. SMOOT. Mr. President, I should like also to call attention to the fact that from the newspaper reports we understand there are a number of changes to be made in the currency bill that have been agreed upon by the Democratic caucus. None of the Senators on this side know what those amendments are. They have not had a chance to study them. I do not believe it is going to hasten the consideration of the bill one day to have a meeting at 10 o'clock before we have had time to examine the bill and the amendments.

Mr. BACON. The Senator will not overlook the fact that we have a unanimous-consent agreement for the consideration of a bill that is going to take up a large part of the time during this week.

Mr. SMOOT. I do not think that is going to take all the time this week, Mr. President. I was going to say to the Senator another thing. So far as I am concerned, there is not a Senator in this body who wants to vote upon the currency bill at an earlier date than I do. I feel the necessity of a measure the same as every other Senator in this Chamber. The business interests of the country want an early disposition of the bill, and if there is a disposition on the part of the majority of the Senate to give and take in this matter and let us have time to study the amendments, and whenever a Senator speaks let him speak directly to the point, I believe that the passage of the bill will be hastened. I hope Senators on the other side can grant, at least, the request that was made here by the Senator from New Hampshire.

Mr. BRANDEGEE. Mr. President—

Mr. GALLINGER. I yield to the Senator from Connecticut.

Mr. BRANDEGEE. I rise for the purpose of making a parliamentary inquiry of the Chair. If I understood the Senator from Indiana correctly, he asked unanimous consent for the present consideration of the resolution?

Mr. GALLINGER. Yes.

Mr. KERN. And that request was granted.

Mr. BRANDEGEE. I dislike to interpose an objection to unanimous consent at present to that kind of a resolution, and yet it is evident that it comes at a time when all Senators are not fully prepared to consider the question. I would like very much if the Senator would defer until to-morrow the presentation of his resolution, to which an amendment has already been offered by the Senator from New Hampshire [Mr. GALLINGER].

Mr. KERN. Until to-morrow at 11 o'clock?

Mr. BRANDEGEE. At any time the Senator chooses to bring it up to-morrow. I think we would like some little conference upon this side, and, possibly, with Senators upon the other side.

Mr. KERN. Let the order go over under the rule until to-morrow, with a unanimous agreement that we meet at 11 o'clock to-morrow.

Mr. BRANDEGEE. I have no objection to that.

Mr. KERN. I will ask the Senator from New Hampshire if he objects?

Mr. GALLINGER. I do not object to that at all.

Mr. BRANDEGEE. Then the Senator from Indiana withholds his resolution?

Mr. KERN. Let the resolution go over until to-morrow under the rule.

Mr. BRANDEGEE. Very well.

Mr. GALLINGER. I was quite aware of the fact that objection could be made, which would send the resolution over, but I thought if we could reach an agreement it might be as well. I think the suggestion of the Senator from Indiana that the resolution go over until to-morrow, and that by unanimous consent we agree to meet at 11 o'clock to-morrow, will be satisfactory.

Mr. KERN. If a unanimous-consent agreement may be had that we meet at 11 o'clock to-morrow, the resolution may go over.

The VICE PRESIDENT. Is there any objection to the request of the Senator from Indiana that when the Senate adjourns to-day it adjourn to meet at 11 o'clock to-morrow?

Mr. GRONN. Mr. President, personally I have no objection to the agreement; but, addressing myself to the purport of the resolution, I will say that it makes very little difference to me whether we meet at 10 o'clock or 12 o'clock. I wish to say, however, that some of us who are interested in this bill—and I know that every Senator on this floor is very much interested in it—will see that the bill is considered when a quorum of the Senate is present.

Mr. KERN. That is all right.

Mr. SIMMONS. We expect that.

The VICE PRESIDENT. Is there objection to the request of the Senator from Indiana that when the Senate adjourns to-day it adjourn to meet to-morrow at 11 o'clock? The Chair hears none. The resolution goes over until to-morrow with the amendment of the Senator from New Hampshire [Mr. GALLINGER] pending.

Mr. WILLIAMS. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator from Mississippi will state it.

Mr. WILLIAMS. What is before the Senate?

The VICE PRESIDENT. Nothing.

Mr. WILLIAMS. There is, then, a regular order that the Senate has itself prescribed to proceed to the consideration of the Hetch Hetchy bill to-day, and it seems to me that the regular order is to call that bill up.

The VICE PRESIDENT. The Senate is awaiting information from the House of Representatives as to whether it has yet been organized.

Mr. WILLIAMS. That does not keep us from going on with the regular order. When we get that information, all we have to do is to await a report from the committee appointed to inform the President we are in session, organized, and ready for business.

Mr. GALLINGER. I dislike exceedingly to interpose a suggestion that we ought to waste a single moment, in view of the tremendous desire on the other side to transact the public business, but I will venture the suggestion that, inasmuch as we must hear from the House of Representatives and a committee has been appointed to wait upon the President, to take a recess would be in order. That is what we have usually done.

Mr. WILLIAMS. It seems to me that all we have to do is to go ahead under the unanimous-consent agreement already entered into. There is no necessity for taking a recess. So far as that is concerned, if we had to wait until the House informed us that it was organized, think a moment of what, in certain contingencies, might follow. The Senator will remember that in the Thirty-fourth Congress Nathaniel P. Banks was not elected Speaker for, I believe, some six weeks. The House was waiting all that time to be organized, and could not pass the usual resolution.

Mr. GALLINGER. But it was doing business all the same.

Mr. WILLIAMS. Now, it seems to me that the sooner we get the Hetch Hetchy bill out of the way, the better, and as the Senate has a unanimous-consent agreement to take that measure up at 12 o'clock on Monday, December 1, that hour and day having arrived and that being the regular order, if I am in order in doing so, I call for the regular order.

Mr. BRANDEGEE. But, Mr. President, is not morning business still in order?

Mr. SMOOT. Morning business has not been concluded.

Mr. WILLIAMS. I call for the regular order, whatever it is.

Mr. MYERS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Montana will state his parliamentary inquiry.

Mr. MYERS. Do we not have the regular morning business for the introduction of bills, resolutions, and so forth, this morning?

Mr. WILLIAMS. I believe I was mistaken about the unanimous consent. Under the agreement the Hetch Hetchy bill is to come up after the regular morning business.

Mr. BRANDEGEE. I call for the regular order.

Mr. WILLIAMS. I call for the regular order, which is morning business.

Mr. MYERS. I will say that I was waiting for the morning business to be concluded, when I will ask that the Hetch Hetchy bill be laid before the Senate in accordance with the unanimous-consent agreement.

Mr. SMOOT. I simply want to say that since I have been here it has always been the rule that the Senate has taken a recess to wait until they have received notice from the House of Representatives that it is in session and also a report from the committee appointed to wait upon the President. This is a session of Congress; it is not merely a session of the Senate; and by right we ought to know whether or not Congress is in session, and the only way to know that is to receive notification from the other House of its organization. I think that is the proper course to follow.

Mr. WILLIAMS. The Senator is mistaken, Mr. President. Usually that course is necessary, and I understand that precedent is followed on the meeting of a new Congress; but in this instance both Houses have organized and everybody knows it. This is the second session of this Congress, and all we have to do that I can see is to go ahead with the regular order. I call for the regular order, and ask the Chair to state what it is.

Mr. SMOOT. I should like to have the Chair give a ruling, then, on what is the proper procedure for the Senate at this time.

The VICE PRESIDENT. The Constitution of the United States requiring the Congress of the United States to assemble upon the first Monday in December of each year, the Chair rules that the Congress of the United States is not assembled until both the Senate and the House of Representatives are in session with a constitutional quorum present for the transaction of business, and that no legislative business can be transacted by the Senate of the United States until that time has arrived.

RECESS.

Mr. KERN. I move that the Senate take a recess until 2 o'clock.

The motion was agreed to, and (at 12 o'clock and 30 minutes p. m.) the Senate took a recess until 2 o'clock p. m.

At the expiration of the recess the Senate reassembled.

MESSAGE FROM THE HOUSE.

Mr. South, the Chief Clerk of the House of Representatives, appeared and delivered the following message:

Mr. President, I am directed by the House of Representatives to inform the Senate that a quorum of the House of Representatives has assembled, and that the House is ready for business.

Also, that a committee of three were appointed by the Speaker on the part of the House of Representatives to join with the committee on the part of the Senate to wait on the President of the United States and notify him that a quorum of the two Houses has assembled and that Congress is ready to receive any communication that he may be pleased to make, and that Mr. UNDERWOOD, Mr. FITZGERALD, and Mr. MANN were appointed such committee on the part of the House.

NOTIFICATION TO THE PRESIDENT.

Mr. KERN and Mr. GALLINGER appeared, and

Mr. KERN said: Mr. President, on behalf of the committee appointed to wait upon the President of the United States and inform him that the two Houses of Congress have organized and are ready to receive any communication that he may be pleased to make, I have the honor to report that the committee have performed that duty, and in response the President informed us that he will submit a communication in person to Congress to-morrow, December 2, at 1 o'clock p. m.

ORDER OF BUSINESS.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 7837) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

Mr. PENROSE. Mr. President, I rise to an inquiry. Should not morning business be permitted? Some Senators have bills to introduce. I do not suppose it is a matter of great importance, but I would expect the orderly procedure to be an opportunity for the transaction of morning business.

Mr. BURTON. I will state in this connection that I desire to introduce a bill which is one of considerable importance, and with the consent of the Senate I should like to make a brief statement in connection with it.

The VICE PRESIDENT. Very well.

Mr. SMOOT. Why could not the Senator from Oklahoma ask that the unfinished business be temporarily laid aside?

Mr. OWEN. I ask that the currency bill be temporarily laid aside that Senators may present morning business.

The VICE PRESIDENT. There being no objection, that action will be taken.

NAVAJO INDIAN RESERVATION, ARIZ. (H. DOC. NO. 298).

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of conditions on the Navajo Indian Reservation in Arizona with respect to the necessity for constructing a bridge across Moenchopi Wash on that reservation. The communication is accompanied by illustrations, and it will be referred to the Committee on Printing for action.

Mr. SMOOT subsequently said: This morning the Presiding Officer laid before the Senate a communication from the Secretary of the Interior relative to the necessity for constructing a bridge across Moenchopi Wash on the Navajo Indian Reservation in the State of Arizona. Accompanying the communication were illustrations, which the Presiding Officer referred to the Committee on Printing for action. I report favorably from the Committee on Printing on the communication and accompanying illustrations and ask that they be printed.

The VICE PRESIDENT. Without objection, it is so ordered, and the communication will be referred to the Committee on Indian Affairs.

ANNUAL REPORT OF THE RECLAMATION SERVICE (H. DOC. NO. 297).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, the twelfth annual report of the Reclamation Service, which was referred to the Committee on Irrigation and Reclamation of Arid Lands and ordered to be printed.

INDIAN SCHOOL, PHOENIX, ARIZ. (H. DOC. NO. 292).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, recommending that the appropriation of \$12,000 for general repairs and improvements, including two steel water tanks, at the Indian school at Phoenix, Ariz., be increased to \$32,302.69, etc., which was referred to the Committee on Indian Affairs and ordered to be printed.

DISTRESS AMONG INDIANS (H. DOC. NO. 328).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report showing the expenditures for the fiscal year ended June 30, 1913, for food and other necessities of life in cases of distress among Indians not having treaty funds, etc., which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

EMPLOYEES IN INDIAN SERVICE (H. DOC. NO. 334).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report showing the diversion of appropriations for the pay of specified employees in the Indian service for the fiscal year ended June 30, 1913, which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

INDIAN MONIES—PROCEEDS OF LABOR (H. DOC. NO. 327).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of expenditures of money carried on the books of the Interior Department under the caption "Indian monies—Proceeds of labor," for the fiscal year ended June 30, 1913, which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

INDIAN HOSTILITIES (H. DOC. NO. 296).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, stating, in compliance with the provisions of section 2100 of the Revised Statutes of the United States, that there have been no hostilities against the United States or its citizens during the fiscal year ended June 30, 1913, which was referred to the Committee on Indian Affairs and ordered to be printed.

INDUSTRY AMONG INDIANS (H. DOC. NO. 295).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed report of expenditures made for the purpose of encouraging industry among Indians at various reservations during the fiscal year ended June 30, 1913, which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

INDIAN SCHOOLS AND AGENCIES (H. DOC. NO. 329).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report showing the amounts expended at each Indian school and agency of the appropriation for construction, lease, bridges, repairs, and improvements of school and agency buildings, which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

INDIAN EDUCATION FUND (H. DOC. NO. 330).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report relative to the expenditure of the general Indian education fund, showing the names of teachers, compensation allowed, location of school, and average attendance of each school, etc., which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

SURVEYS ON INDIAN RESERVATIONS (H. DOC. NO. 331).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement of the cost of all survey and allotment work on Indian reservations for the fiscal year ended June 30, 1913, which, with the accompanying papers, was referred to the Committee on Indian Affairs and ordered to be printed.

INDUSTRIAL WORK AND CARE OF TIMBER (H. DOC. NO. 335).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement of the expenditures from the appropriation for "Industrial work and care of timber" for the fiscal year ended June 30, 1913, which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

SIoux INDIAN FUND (H. DOC. NO. 332).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of expenditures from the permanent fund of the Sioux Indians during the fiscal year ended June 30, 1913, which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

IRRIGATION AND DRAINAGE, INDIAN SERVICE (H. DOC. NO. 299).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a tabulated statement relative to the distribution of moneys expended for irrigation and drainage, Indian Service, for the fiscal year 1913, which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

TONGUE RIVER INDIAN RESERVATION (H. DOC. NO. 294).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed report of expenditures made for the purpose of encouraging industry among Indians on the Tongue River Indian Reservation during the fiscal year ended June 30, 1913, which, with the accompanying paper, was referred to the Committee on Indian Affairs and ordered to be printed.

SUBSISTENCE FOR INDIAN TRIBES (H. DOC. NO. 333).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, stating that no diversions or expenditures were made during the fiscal year ended June 30, 1913, under the provisions of the act approved March 1, 1907, authorizing the Secretary of the Interior to use any surplus that may remain in any of said appropriations for the purpose of subsistence for the several Indian tribes to an amount not exceeding \$25,000 in the aggregate to supply any subsistence deficiency that may occur, etc., which was referred to the Committee on Indian Affairs and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented resolutions adopted at the Geologists and Mine Engineers' Convention, National Conservation Exposition, Knoxville, Tenn., September 19, 1913, favoring an increase in the appropriation for classifying the public domain, which were referred to the Committee on Appropriations. He also presented resolutions adopted by Nordstjernan No. 136, of Minneapolis, Minn., favoring the enactment of legislation granting to the city of San Francisco the use of the waters of the Hetch Hetchy Valley, which were ordered to lie on the table.

He also presented a memorial of sundry citizens of Collegeville, Ind., remonstrating against the passage of the so-called Hetch Hetchy bill, which was ordered to lie on the table.

He also presented resolutions adopted by the Retail Merchants' Association of Washington, D. C., favoring the plan of

the Secretary of the Navy for the establishment of an armor-plate plant in the District of Columbia or on some site adjacent thereto, which were referred to the Committee on the District of Columbia.

Mr. SHAFROTH presented petitions of sundry citizens of Pueblo and Denver, in the State of Colorado, praying for the enactment of legislation granting relief to persons who served in the Military Telegraph Corps of the United States Army during the Civil War, which were referred to the Committee on Military Affairs.

Mr. McCUMBER presented a petition of the Votes for Women League of Jamestown, N. Dak., praying for the enactment of legislation granting the right of suffrage to women, which was ordered to lie on the table.

Mr. O'GORMAN presented petitions of sundry citizens of New York City and Buffalo, in the State of New York, praying for the enactment of legislation granting relief to persons who served in the Military Telegraph Corps of the United States Army during the Civil War, which were referred to the Committee on Military Affairs.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PENROSE:

A bill (S. 3496) to define the true intent and meaning of section 48 of the act of August 28, 1894, levying taxes on distilled spirits, to regulate the business of reclaiming waste spirits from empty whisky barrels, and to define the status of persons engaged in such business; to the Committee on Finance.

A bill (S. 3497) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War (with accompanying paper); to the Committee on Military Affairs.

A bill (S. 3498) granting an increase of pension to Daniel Hilliard;

A bill (S. 3499) granting an increase of pension to John King;

A bill (S. 3500) granting a pension to Mary Irvin;

A bill (S. 3501) granting an increase of pension to Horace M. Marquet;

A bill (S. 3502) granting an increase of pension to John Gowland (with accompanying papers);

A bill (S. 3503) granting a pension to William N. Stewart (with accompanying papers); and

A bill (S. 3504) granting an increase of pension to James H. Nale (with accompanying papers); to the Committee on Pensions.

By Mr. SHAFROTH:

A bill (S. 3505) for the relief of Boon, Bostwick & Co.; to the Committee on Claims.

A bill (S. 3506) for the relief of Samuel Charles Hampton; to the Committee on Naval Affairs.

A bill (S. 3507) to grant to women citizens of the United States the right to register and vote for Senators of the United States and for Members of the House of Representatives; to the Committee on Woman Suffrage.

A bill (S. 3508) granting an increase of pension to David Walker; to the Committee on Pensions.

By Mr. MYERS:

A bill (S. 3509) for the relief of Orion Mathews; to the Committee on Military Affairs.

By Mr. OVERMAN:

A bill (S. 3510) to provide for the construction, maintenance, and improvement of post roads and rural delivery routes through the cooperation and joint action of the National Government and the several States in which such post roads or rural delivery routes may be established; to the Committee on Post Offices and Post Roads.

A bill (S. 3511) to authorize the Supreme Court to prescribe forms and rules and generally to regulate pleading, procedure, and practice on the common-law side of the Federal courts; to the Committee on the Judiciary.

By Mr. POINDEXTER:

A bill (S. 3512) making appropriations for the printing and publishing of maps and reports relating to the kelp beds on the Pacific coast; to the Committee on Appropriations.

A bill (S. 3513) granting an increase of pension to Aaron B. Hartman; to the Committee on Pensions.

By Mr. McCUMBER:

A bill (S. 3514) for the relief of John H. Howlett; to the Committee on Claims.

A bill (S. 3515) granting an increase of pension to Elmer Mulinex (with accompanying papers); and

A bill (S. 3516) granting an increase of pension to Irwin M. Hill; to the Committee on Pensions.

By Mr. MARTIN of Virginia:

A bill (S. 3517) for the relief of the trustees of Lynchburg College, of Lynchburg, Va.; to the Committee on Claims.

A bill (S. 3518) granting a pension to James D. Setliff; to the Committee on Pensions.

By Mr. BURLEIGH:

A bill (S. 3519) granting a pension to Adesta L. Kendall; to the Committee on Pensions.

By Mr. SHIVELY:

A joint resolution (S. J. Res. 85) authorizing the appointment of a board of examiners to make an examination of the Kankakee River at and in the vicinity of the boundary line between the States of Indiana and Illinois, relating to the necessity and practicability of removing obstructions from said river and straightening its channels, and for other purposes; to the Committee on Commerce.

BANKING AND CURRENCY.

Mr. BURTON introduced a bill (S. 3495) to incorporate the Federal reserve bank of the United States, establish banking districts, mobilize bank reserves, refund and retire a portion of the national debt, provide for an elastic currency, afford means for rediscounting commercial paper, establish more effective supervision of banking, and for other purposes, which was read twice by its title.

Mr. BURTON. Mr. President, with the consent of the Senate, I desire to submit a brief statement explaining the provisions of the bill.

The plan provides for the organization of a Federal reserve bank owned by the people and entirely controlled by the Government. The capital stock is placed at \$100,000,000, and is to be open to popular subscription for its full amount in shares of \$100 each, the stockholders to receive cumulative dividends at the rate of 5 per cent per annum. The control of the bank is vested in a board of seven directors to be appointed by the President, to be confirmed by the Senate, the terms of office of such directors to be 14 years. These men are to have absolute control over the affairs of the bank, and are to devote their whole time to their functions as such directors.

The bank itself is to have its main office in Washington with 12 branches to be located in various parts of the country. Each branch is to be managed by an executive committee of five men, who are all to be appointed by the board of seven, who will supervise and control all their actions. The number of the branches may be increased.

The earnings of the bank are to be appropriated first to the payment of a 5 per cent dividend to the shareholders, then to the accumulation of a surplus of \$20,000,000, after which one-half of the earnings is to go to the United States and one-half to increase the surplus to \$50,000,000, and thereafter the whole of the earnings, above, of course, the 5 per cent paid upon the stock, shall go to the United States to be devoted to the retirement of the public debt.

The business of the bank is to be conducted solely with the United States Government, the national banks, and such State banks and trust companies as are permitted under appropriate restrictions to deposit their reserves therein. The bank will also act as fiscal agent and sole depository of the Government.

In general, the function of the bank will be to hold the reserves of all national banks and of the State banks that make deposits, as well as all the funds of the Government except the 5 per cent redemption fund; to rediscount commercial paper for the member banks or depositors; to establish rates of discount for such rediscounting, which shall be uniform throughout the country and at all branches of the bank; to issue its notes as circulating medium; and to act as a national clearing house. The provisions for rediscounting paper are carefully prepared to cover bona fide agricultural, commercial, and industrial transactions, and are made to exclude stock-exchange or grain-exchange transactions.

With respect to the national-bank reserves, at least one-half and as much more as may be desired by the individual banks are to be on deposit with the Federal reserve bank. Incidentally the amount of such national-bank reserves is to be reduced to a uniform basis of 12 per cent of their net deposit liabilities, and all distinctions between country banks and reserve city banks are eliminated.

The circulating notes of the bank are gradually to take the place of national-bank notes and are to be receivable at par for all taxes and other debts due to the United States, and also for all debts payable by the United States, except interest on the public debt.

The notes are protected by a reserve fund to consist of either 100 per cent of gold coin bullion or gold certificates or of 50

per cent of gold coin bullion or certificates plus 100 per cent of collateral security, which may consist of notes and bills accepted for rediscount and of the Government refunding notes, which are authorized in the bill. This special reserve to protect the circulating notes is to be kept separate and distinct from the general reserve of the bank, which is to be maintained at 50 per cent of its net deposit liabilities, and is to consist of gold coin, bullion, and other lawful money of the United States.

The circulating notes are made redeemable on demand at any office of the bank in gold or lawful money of the United States at the option of the holder.

The national clearing-house function is made possible by a provision requiring the acceptance at par of all checks and drafts of the bank and any of its branches, and a further provision authorizing the various branches, subject to the approval of the central board, to determine and publish appropriate exchange and collection charges for the handling of all other exchange or collection items.

The plan also proposes to effect a gradual retirement of all the 2 per cent bonds now outstanding. This is to be accomplished in two ways—first, by having the Government pay off through the medium of the Federal bank approximately one-half of the outstanding twos by an issue of Treasury 1-year renewable notes from time to time; and, second, by having the Secretary of the Treasury exchange not less than \$20,000,000 per year of the twos held by the national banks for an equal amount of Government 3 per cent bonds to run 20 years, but to be without any circulation privilege. In this way all the 2 percents would be retired at the end of 20 years, a result which is further insured by a provision that at the end of such period such bonds are to carry no interest.

As distinguished from the Owen-Glass bill, the bank notes are to be redeemed by the banks, and no Government liability is attached. While I have given a very considerable amount of attention to the bill, I frankly say that I am not altogether satisfied with all of its details, but I confidently believe that, whatever Congress may do upon the pending legislation, the general plan of a central banking institution will ultimately be adopted.

The VICE PRESIDENT. To what committee does the Senator from Ohio desire to have the bill referred?

Mr. BURTON. I think the bill should lie on the table, as I judge the Banking and Currency Committee has performed whatever duty it intends to perform in the consideration of a bill relating to banking and currency.

The VICE PRESIDENT. That action will be taken.

SAN FRANCISCO WATER SUPPLY.

The VICE PRESIDENT. Morning business is closed.

Mr. MYERS. Mr. President, I ask that House bill 7207, the Hetch Hetchy bill, be now laid before the Senate in accordance with the unanimous-consent agreement.

The VICE PRESIDENT. In accordance with the unanimous-consent agreement, the Chair lays before the Senate House bill 7207.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7207) granting to the city and county of San Francisco certain rights of way in, over, and through certain public lands, the Yosemite National Park, and Stanislaus National Forest, and certain lands in the Yosemite National Park, the Stanislaus National Forest, and the public lands in the State of California, and for other purposes.

Mr. MYERS. Mr. President, as chairman of the Committee on Public Lands of the Senate, which reported this bill favorably to this body, I feel it incumbent upon me to present the bill to the Senate with some remarks, giving the reasons which caused the committee to recommend the bill for passage. I also speak from personal conviction in consequence of a study of the subject and, so far as I had time, a hearing of all that has been said or offered by either side, a reading of the proceedings before the House committee, and hearing the discussions before the Senate committee relative to the matter. As a result of all this I am profoundly convinced that this bill is one of extraordinary merit, one which presents a pressing emergency to Congress, and that it ought to be passed without delay.

This bill presents to Congress a question of most momentous importance, a question of the sustenance of human life, a question of the necessities of human life, a question of three-quarters of a million people having an adequate water supply for the absolute necessities of life, for sanitary purposes, for municipal purposes, for cooking and other family and household purposes, and for consumption by individuals of the communities which are interested. I think it is one of the most important questions that has been presented before this body since I have been here, one that pertains to the conservation

of the very life of a large number of citizens of this country and of the people of a very large and important section of the country.

San Francisco needs the water; I believe there is absolutely no denial of that fact. The people of San Francisco are citizens of this country, and they need something which is necessary to their existence, both individually and as a municipality; they need something which it is in the power of this Government to give them and which is being put to no other purpose; and the question is, Shall we give it to them?

In addition to the lack of an adequate supply of water, the people of San Francisco are not only suffering from the absolute want of water, but they are to-day paying the highest rates for what little water they do get of any city in the United States. They are in absolute distress, and they come to this body—the only body that appears to have it in its power to give adequate relief—and ask for the relief which we are in a position to give.

The proposition is to enable San Francisco and the other cities around the Bay of San Francisco, adjacent to San Francisco, which form one compact vicinity or section of country, to obtain sufficient water for municipal and individual purposes. That is the proposition which is presented to us. In order to get the proposition succinctly before Senators I will now read from the report of the House Committee on Public Lands, which unanimously reported in favor of this bill, which contains a statement of the case and a statement of what is asked for in the bill. That report reads:

The cities of San Francisco, Burlingame, San Mateo, Redwood, Palo Alto, Hayward, Alameda, Oakland, Piedmont, and Berkeley, which are to be organized into a municipal water district for development of the Hetch Hetchy water supply, form an almost continuous chain around the Bay of San Francisco. Their combined population at the present date is more than 700,000. Directly east of these bay cities the Coast Range Mountains form a low barrier between the bay cities and the San Joaquin Valley, one of the two great interior valleys of California. Through the middle of this valley the San Joaquin River flows north to the Carquinez Straits and thence into San Francisco Bay. On the east side of the valley the Sierra Nevada Range rises, reaching heights of over 12,000 feet at the summit. Down the western slopes of the Sierras the Tuolumne River winds in a general westerly direction to its confluence with the San Joaquin River. For the purpose of irrigating during the dry season the part of the valley floor which is normally drained by the Tuolumne River, the Modesto and Turlock Irrigation districts were formed, comprising 257,000 acres in extent. Conjointly they have built the La Grange diverting dam at the point where the Tuolumne leaves the foothills on its westward course, and divert its waters through irrigating canals to the extent of their needs. About 50 miles farther up the Tuolumne and about 165 miles due east from San Francisco the river flows through the Hetch Hetchy Valley, which lies within the boundaries of the Yosemite National Park, about 25 miles north of the Yosemite Valley and on an entirely different watershed. The valley floor is about 3,530 feet in elevation. To the north of Hetch Hetchy and about 9 miles distant lies Lake Eleanor, one of the numerous mountain lakes of the Sierras. A short distance west of Lake Eleanor the ground falls off into Cherry Valley, through which the Cherry River flows to join the Tuolumne about 12 miles below the Hetch Hetchy Valley. The relative positions of the foregoing points will more readily appear from the map on file with your committee.

The city of San Francisco is now, and for many years past has obtained its water supply from the Spring Valley Water Co., whose reservoirs and sources of supply are situated in the adjoining Coast Range Mountains. As much as 12 years ago it became apparent to the municipal authorities that the supply afforded by the company was becoming inadequate for the city's needs. Requests from outlying districts for water extensions were being met by refusals from the water company, owing to its inability to properly supply a larger number of consumers. In 1901 the city engineer was ordered to and did make an investigation of various possible sources. Out of 14 sources then considered feasible, the Tuolumne River was selected as being superior in quantity, quality, and accessibility to all the others. Appropriations were duly filed in the city's behalf in accordance with the law then in force.

In the bill presented for your consideration the city of San Francisco has set forth the rights which Congress must grant before the city can proceed with this great project. These rights are, briefly, as follows:

1. The right to construct a dam at the mouth of Hetch Hetchy, Lake Eleanor, and Cherry Valley and to flood said valleys to the height of their respective dams.
 2. Rights of way through the Yosemite National Park and Stanislaus National Forest for tunnels, aqueducts, and water conduits, also for telephone, telegraph, and power transmission lines, roads, and trails.
 3. Necessary power-house sites and diverting or storage dam sites.
 4. The right to take stone, earth, and other materials for construction purposes from the land covered by the rights of way and adjoining land.
- The water which San Francisco has appropriated under the laws of California and expects to store and beneficially use by means of the above works is the storm water of the Tuolumne—the water which has been going to waste every year over the La Grange irrigation dam during the high-water months.

CONDITIONS TO WHICH SAN FRANCISCO CONSENTS.

In order that the Government and the public may be amply protected in the exercise of this grant, the bill proposes that all procedure thereunder shall be carefully regulated by the Secretary of the Interior. Maps are to be filed and approved before the city can proceed. Work is to be commenced within a reasonable time and prosecuted diligently. The usual charges are to be paid to the Government for timber taken and the bill fixes an annual rental to be paid the Government as compensation for the rights granted. Campers are to be restricted by only a few simple sanitary regulations, which are fully set forth and can never be amplified by the city. All regulations of the Department of the Interior and Bureau of Forestry shall be complied with by

the city. The city is prohibited from ever selling to private corporations or individuals the right to sell water, thus protecting this grant from ever falling into the hands of speculators.

WHAT SAN FRANCISCO PROPOSES TO DO IN RETURN FOR THIS GRANT.

In return for this grant San Francisco proposes:

First. To adequately protect all existing irrigation rights to the waters of the Tuolumne with ample allowance for future requirements. This feature will be discussed more fully a little later.

Second. To build at its own expense a magnificent system of roads and trails which will make one of the most beautiful scenic parts of the Sierra, now reached only by tedious journeys afoot or on mule back, generally accessible to the public.

Third. To furnish stored water to the irrigationists over and above the amount to which they are now entitled at actual cost of storage, where the same can be spared from municipal use.

Fourth. To furnish electric power at cost to the Modesto and Turlock irrigation districts and to municipalities situated therein.

I believe those extracts state clearly to the Senate the nature of the bill that is under consideration. They are a succinct and concise statement of the case. The city of San Francisco and the adjacent cities which are interested come to Congress for this relief in their dire distress because it appears that Congress is the only authority that can give them the relief desired and the powers asked for. The Interior Department could, I take it, grant a permit for these requests, but that permit would necessarily be a revocable permit; it could not be made a permanent permit. One Secretary of the Interior might readily undo what a predecessor had done; there would be no permanency about it; there would be no certainty of the future about it.

These people desire to acquire an adequate water right for all time to come—at least for the remainder of this century—in order that they may feel safe and secure, that they may go ahead with their municipal improvements and feel that their cities are on a solid basis for one of the great necessities of life—an adequate water supply.

It seems to me that it would be useless and futile to rely upon a permit to be granted by the Interior Department, when it might be at any time revoked; and so these people sensibly come to the Congress of the United States as the only power that can grant them permanent relief. They want something permanent when they get it, because the plan involves the expenditure of great sums of money; it means the issuance of large amounts of bonds, the selling of those bonds in the market, and the redemption of those bonds in due time; and the people do not want to be called upon to pay out their money and redeem bonds for something that may perhaps in the meantime have been revoked and taken away from them. So it seems to me this is the only sensible course to pursue.

Mr. GALLINGER. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from New Hampshire?

Mr. MYERS. I do, with great pleasure.

Mr. GALLINGER. I am not at all familiar with the matter that is under discussion, I regret to say, not having had time to familiarize myself with all the facts, but in the various communications, usually in the form of protests, which have come to me from my section of the country, it has been persistently stated that San Francisco can get an adequate water supply from several other sources than the Yosemite Valley. The Senator has given, I have no doubt, great study to this subject, and I should like to ask him at this point how much potency there is in that contention?

Mr. MYERS. Mr. President, I intend to reach that a little later and discuss it fully, but will say at this time that I think the showing made proves conclusively that San Francisco can not get a water supply elsewhere that would be in anywise adequate without the expenditure of at least \$20,000,000 more than this water supply will cost.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from California?

Mr. MYERS. With great pleasure.

Mr. WORKS. Leaving out of account the amount of water that is needed for the other cities, does the Senator know how much water would be required for the use of San Francisco in addition to what it already has?

Mr. MYERS. My recollection is that the report of the Army board deals with the needs of the entire aggregation of cities, but I do not remember having read in the report, which purported to cover every phase of the matter, just what extra supply the city of San Francisco alone would require.

Mr. WORKS. Does the Senator from Montana know whether the other cities which are mentioned have made any filings on this stream?

Mr. MYERS. I have not read that the others have made any. The city of San Francisco, through its mayor, has attempted, or purported at least, to make filings. I have not read of any of the other cities doing so through their agents or officials.

Mr. WORKS. Does the Senator know whether, under the laws of California, the city of San Francisco can make filings and appropriate water for the use of other cities?

Mr. MYERS. I would apprehend that it could not, unless the right were granted by statutory enactment; and my reading of the documents on this subject would lead me to believe that unless there had been some such legislation very recently it could not do so.

Mr. WORKS. Does the Senator know of any such legislation?

Mr. MYERS. I do not.

Mr. WORKS. Then, by what right can the Government grant to the city of San Francisco facilities for furnishing water to other cities?

Mr. MYERS. By the provisions of this bill, granting these rights to the city of San Francisco and the other cities, jointly and acting together.

Mr. WORKS. Does the Senator from Montana contend that the Government of the United States can grant water rights in California?

Mr. MYERS. I contend that the Government of the United States can grant whatever it has control over, and whatever it has possession of, and whatever is a proper subject of legislative enactment. Any attempted legislation beyond that would be null and void.

Mr. WORKS. Does the Senator contend that the National Government has control over the water flowing in the streams in California?

Mr. MYERS. The National Government owns and has control over the lands in the Yosemite Park, of which the Hetch Hetchy Valley is a part, as I understand; and if it owns those lands, it certainly can do with them whatever it may please. It can dispose of them in any manner it may see fit. That disposal certainly would carry with it all appurtenances to the land. If the water which gathers in the park is appurtenant to the land, it would go with the land.

Mr. WORKS. Does the Senator understand that waters flowing in the streams in California are appurtenant to the lands held by the National Government, so as to give the Government control over those waters?

Mr. MYERS. I can not say as to California. Some authorities contend that the water flowing through lands owned by the United States is appurtenant to the lands, and is subject to the control of the United States in so far as attempted to be used on public lands. At an early day there was congressional legislation which purported to give to settlers on public lands in the Territory of Montana and certain other Territories the right to appropriate water from streams flowing through public lands for use thereon. I express no opinion as to the validity thereof.

From all that I can learn on this subject San Francisco's need is certainly very dire and great. It would appear that San Francisco to-day has no more than one-fifth of an adequate water supply, one-fifth of what would be a fair and liberal supply for all of its needs and uses. The surrounding cities, which are also intended to be benefited by this bill, appear likewise to be in great need of additional supplies of water.

The city of San Francisco is one of the great cities of this country. It and the cities which surround it, in the same vicinity, have more than three-fourths of a million of population. They are all growing rapidly; and unless hampered by some such dire calamity as a lack of the water actually necessary for cleanliness and drinking and household purposes and municipal purposes, they doubtless will continue to grow and make one of the most magnificent sections of this country.

Year after next we are going to have an international exposition in San Francisco. It has been sanctioned by the action of Congress. The right to hold it there has been granted by the Government. The Government has recognized and has given the stamp of its approval to that great world's fair. That great exposition is expected to bring hundreds of thousands, even millions, of visitors into the gates of that city and into that section of the country. It must be apparent to the Senate that this will immeasurably increase the necessity that exists in San Francisco to-day for one of the commonest necessities of life—water; water to drink, water with which to cook, and water for municipal purposes.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from California?

Mr. MYERS. With great pleasure.

Mr. WORKS. Does the Senator understand that if this bill should be passed the water from the Hetch Hetchy Valley can be brought into San Francisco in time for the exposition?

Mr. MYERS. No; I do not claim that that can be done, because it will take longer than that. It is merely one of the

incidents of the matter. It shows the dire necessities of San Francisco, and I only mention it to show the desperate condition of its citizens and what confronts them.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Utah?

Mr. MYERS. With great pleasure.

Mr. SMOOT. How many gallons of water per day does the Senator claim are required by every man, woman, and child in the city of San Francisco?

Mr. MYERS. I shall try to answer that question in a second, Mr. President.

Mr. SMOOT. I will put the question in this way: Does the Senator think 100 gallons of water per day for every man, woman, and child in San Francisco is a sufficient amount?

Mr. MYERS. I believe some reports so estimate; yes. I think the necessary amount is in the neighborhood of 100 gallons.

Mr. PITTMAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Nevada?

Mr. MYERS. I do, with pleasure.

Mr. PITTMAN. For the purpose of refreshing the Senator's mind with regard to that matter, I will state that in the report of the Army board the amount that is necessary is estimated on the basis of 130 gallons per day, exclusive of that which is required for irrigation inside of the city.

Mr. SMOOT. Most of the reports, as I have read them, have held 100 gallons to be sufficient.

Mr. MYERS. There have been some estimates to that effect.

Mr. SMOOT. What I wanted to know was the Senator's idea, because, whatever his idea is, I shall figure upon the amount of water in gallons per day required by San Francisco. That is the reason I asked the Senator the question.

Mr. MYERS. Does the Senator exclude the adjacent and outlying cities that are beneficiaries under this bill?

Mr. SMOOT. Of course, a principle is involved that will be discussed at great length before this bill is passed; but I will include all of the people adjacent to San Francisco as to the amount they need per capita. Of course, they will not need more than the people of San Francisco.

Mr. MYERS. No; I take it they will not.

Mr. SMOOT. I think it is reasonable to say that 100 gallons per day for every man, woman, and child is a sufficient amount.

Mr. THOMAS. How much?

Mr. SMOOT. One hundred gallons per day.

Mr. THOMAS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. MYERS. With great pleasure.

Mr. THOMAS. I think that statement is perfectly true if its application is confined to the humid regions of the United States; but in the city of Denver, where I reside, 215 gallons per capita are necessary, and I think in the city of Pueblo the per capita consumption is still greater.

There may be some other conditions in San Francisco of which I am not aware; but in all the arid and semiarid regions of the United States the per capita consumption is necessarily greater than it is in regions like this, where there is considerable rainfall and generally a humid condition.

Mr. SMOOT. I will say to the Senator that I was taking the figures from a great many reports that have been made. All I wanted to know was whether or not the Senator from Montana accepted those estimates.

Mr. THOMAS. I apologize to the Senator for interrupting. I understood the question to be more general in its character.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana further yield to the Senator from California?

Mr. MYERS. I do.

Mr. WORKS. I understand that in all the calculations that have been made by the engineers in arriving at conclusions on this matter 100 gallons a day has been taken as a liberal allowance. I think there is no disagreement with respect to that matter. It is discussed in some of the reports that have been made. The amount actually used runs up from fifty-odd gallons to 100 gallons, and perhaps, as in the Senator's case, to 215. I never heard of that, however. But they have taken 100 gallons as the basis of all their calculations.

Mr. MYERS. Mr. President, I believe the condition of the people of San Francisco and the adjacent communities with regard to want of water is pretty generally known by the Members of this body. I believe there is no difference of opinion that the supply of water there must be increased from some source and in some way. The reports are all to the effect that there is actual suffering and dire distress to-day in that re-

spect. The city of San Francisco to-day has only about 40,000,000 gallons of water daily, and it has twice the population of Denver, which has 200,000,000 gallons. From all accounts, San Francisco needs five times as much water as it has to-day; needs and ought to have right now at least as much as the city of Denver.

We can see here in the city of Washington what magnificent results a plentiful and liberal amount of water accomplishes for a city. We can see the clean streets and the fine condition in which this city is kept, largely from an adequate supply of water and a judicious use of it, even though the use of water here is not required in many respects in which it is required in the city of San Francisco, which is in a semiarid section of the country, and does not have nearly the rainfall that this section of the country has.

I believe it may be conceded, from all that has been shown in this case, that the present sources of supply of San Francisco and the adjacent communities can not be increased. The people must look elsewhere in order to get an adequate supply of water. I believe every engineering report and every investigation that has been made is practically clear to the effect that the present sources of supply can not be increased, and that the people must go elsewhere.

On that subject I wish to read from the report of the board of Army engineers which was appointed by the Government to investigate this whole subject. On page 15 of its report, after reciting the amount of water that is required by San Francisco and the adjacent communities, the board says:

No such amount can be secured from existing sources, though the exact amount of their possible development is uncertain, as the supplies are largely underground. It does not appear essential for the purposes of the board that accurate figures should be secured, as it is only necessary to know that outside sources must be sought for and, in general, how much will be needed.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from California?

Mr. MYERS. With great pleasure.

Mr. WORKS. Does the Senator understand that in the quotation made the engineers were talking about 400,000,000 gallons of water per day that could not be obtained from other sources?

Mr. MYERS. Yes; it says that 400,000,000 gallons daily must be obtained.

Mr. WORKS. Has the Senator found in any of these reports any statement that a sufficient and adequate supply for the city of San Francisco alone could not be obtained from other sources?

Mr. MYERS. The report of the Army board treats of the entire aggregation of cities around San Francisco Bay. It seems that all of these cities need water. If we were to legislate for San Francisco alone, and let these other people die or move out for want of water, the matter might present a different phase. But the Army board was instructed to investigate and report for this aggregation of communities, and the bill goes on the theory that they all need water.

Answering the question flatly, I can not just now say that I have read any report which says that an adequate supply for San Francisco alone could not be developed from existing sources, but I have read much literature and contention by the people of San Francisco that it could not be done.

Mr. WORKS. If the Senator will examine the report of Mr. Wadsworth, who was delegated by the Army board to make a more specific investigation of the whole matter, I think he will find a statement that 100,000,000 gallons a day would be sufficient for San Francisco until the year 1955.

Mr. MYERS. That may be true.

Mr. CLARK of Wyoming. Mr. President—

The PRESIDING OFFICER (Mr. WALSH in the chair). Does the Senator from Montana yield to the Senator from Wyoming?

Mr. MYERS. With pleasure.

Mr. CLARK of Wyoming. I wish to ask a general question. I see the bill provides that the dam shall be at least 200 feet high; and, as I understand, the water to be impounded is the surplus water beyond the natural flow of the stream. Has the Senator any information as to how much of that surplus water can be supplied by means of this dam?

Mr. MYERS. It is shown that more than 400,000,000 gallons daily can be supplied.

Mr. CLARK of Wyoming. What does the Senator estimate, from his knowledge of the conditions, to be the necessary amount for San Francisco, and, as he says, these neighboring cities?

Mr. MYERS. At least 400,000,000 gallons daily.

Mr. CLARK of Wyoming. I am afraid I do not make myself understood. Will there be a development of a greater water supply than is necessary to supply these cities? That is what I am trying to get at.

Mr. MYERS. I think the reports and investigations fairly show that if the dam is put up the contemplated height, at certain seasons of the year, but not all the time, there will be more than that amount of water in the dam.

Mr. CLARK of Wyoming. But is not the very purpose of the dam to equalize the flow of the water?

Mr. MYERS. The purpose of the dam is to have that much water in it at all times of the year.

Mr. CLARK of Wyoming. Yes.

Mr. MYERS. And in order to have that much water at certain seasons it will be necessary to have more at other seasons.

Mr. CLARK of Wyoming. Does the Senator understand the bill to mean that when there shall be a surplus of water that water shall become the property of San Francisco to dispose of for certain purposes and for certain amounts of money?

Mr. MYERS. The city of San Francisco is required under the terms of the bill to let go of that surplus upon demand to irrigationists and payment of the cost price thereof.

Mr. CLARK of Wyoming. Then, as I understand it, the bill provides a method for the distribution of the water over and above that which is needed by the city of San Francisco?

Mr. MYERS. I will answer that by saying yes. It is my understanding of the bill that in order to have at all seasons of the year 400,000,000 gallons daily there will accumulate necessarily at certain other seasons of the year more than that quantity, and at such seasons when there is more the city of San Francisco is required and compelled, upon the application of irrigationists and others making showing of useful and beneficial purposes, to release that water and let them have it at the exact cost of it. That is my understanding.

Mr. CLARK of Wyoming. Then, in short, the Senator answers my question in the affirmative, that if there shall be a surplus of water impounded in the dam over the needs of the city of San Francisco, Congress assumes the right to say how that water shall be disposed of.

Mr. MYERS. Whenever more than that amount happens by the exigencies of the situation to accumulate there the city of San Francisco is denied the right to use it, and is compelled to let other people of California who may need it use it at cost price.

Mr. CLARK of Wyoming. I want to say, Mr. President, that that is what I consider to be the crux of this whole question. I probably shall vote against this bill. If I vote against it, I shall vote against it on the ground that Congress is assuming the right of distributing and directing the appropriation of water lying wholly within the State of California; that Congress is directing the distribution when, in my belief, the law is plain that Congress has no such right, but that California has the right over the waters within her State either to direct how they shall be appropriated or how they shall be distributed.

Mr. WALSH. Mr. President, with the permission of my colleague, I interrupt the debate here for the purpose of making a few remarks, which I trust will have a tendency to clarify the debate and prevent the injection into it of the question of the conflicting rights of the National Government and the States to the waters of the rivers within the States. I do not conceive that it is possible to confuse this question with the introduction of any such question as was obviously suggested by the inquiry addressed to the chairman by the esteemed Senator from California [Mr. WORKS] and now adverted to by the Senator from Wyoming [Mr. CLARK].

This bill, Mr. President, does not undertake to dispose of any water flowing in any river in the State of California. It is based upon no such theory at all. If it were, unquestionably all of us on this side who have given any consideration to that subject would stand with the Senator from Wyoming and the Senator from California, who, as I take it, entertain the view that the National Government has no such right.

That is not this bill at all, Mr. President and Senators. This bill simply grants to the city of San Francisco certain rights in public lands; that is all. It grants the right to flood certain public lands. The Government of the United States owns certain lands within the Hetch Hetchy Valley. The city of San Francisco owns certain lands within the Hetch Hetchy Valley. In order to flood the lands owned by the city of San Francisco it is also obliged to flood lands owned by the Government of the United States. In order to get that water out when it is dammed in the Hetch Hetchy Valley it is necessary to carry it over public lands to its destination. This bill is simply and solely a grant of the right to flood certain public lands and to carry the water impounded over the public domain to its place of use.

Mr. BORAH. Mr. President—

Mr. WALSH. Pardon me for a moment until I complete the statement. Then it is provided as a condition of that grant, simply in view of the grant made by the Government of that

easement, that after the city shall have been supplied with water it needs it is obliged to supply those who desire to make use of the water for irrigation and other purposes. No other possible construction can be given to the bill, and there is no other basis upon which a discussion of it can intelligently proceed.

Now, I will be glad to reply to the Senator from Idaho if he rose to ask me a question.

Mr. BORAH. Mr. President, the feature of the bill which leads to the discussion of the particular matter now before the Senate is found upon page 13, subdivisions B and C, and on pages 14 and 15. The bill says:

(b) That the said grantee shall recognize the prior rights of the Modesto Irrigation district and the Turlock Irrigation district as now constituted under the laws of the State of California, or as said districts may be hereafter enlarged to contain in the aggregate not to exceed 300,000 acres of land, to receive 2,350 second-feet of the natural daily flow of the Tuolumne River, measured at the La Grange Dam, whenever the same can be beneficially used by said irrigation districts, and that the grantee shall never interfere with said rights.

Does the Senator from Montana contend that that is a provision which the Congress of the United States has power to make?

Mr. WALSH. Mr. President, I do not undertake to say how far it may go, but I am sure the Senator from Idaho will agree with me that it is beyond the power of Congress to take away from those people any rights which they have already acquired, regardless of what the provisions of the bill may be.

Mr. BORAH. And it is beyond the power of Congress to put any restraint or legal verity on anything which they have.

Mr. WALSH. Undoubtedly.

Mr. BORAH. Then this is a misleading and deceptive proposition or it is a purely idle one.

Mr. WALSH. It is purely idle, so far as the point which—

Mr. BORAH. It is the idle things about this bill which seem objectionable.

Mr. WALSH. That might be a reason why there should be some amendment touching that particular feature of the bill before us.

Mr. WORKS. Mr. President—

Mr. WALSH. Will the Senator from California pardon me just a moment, and then I will be glad to yield?

I wish to add, if the Government of the United States were not making any grant of rights in public lands by virtue of this act, if entirely separate and apart from the granting of an easement in public lands it were undertaking to distribute to anybody or under any conditions the natural flow in the rivers of the State of California, there would be no division with respect to the bill here at all, for we all assert that they have no such power. This bill simply makes disposition of certain easements in certain public lands, the grant being coupled with conditions by which the grantee must abide, and everybody will agree that the Congress of the United States may impose just exactly such conditions upon the acceptance of the grant as it may see fit. Now I will be glad to answer the Senator from California.

Mr. WORKS. Suppose that California were provided with a water commission, giving that commission complete control over the distribution and use of water, going to the extent of saying whether these districts, for example, shall use all that they are now receiving or less, in the interest of other claimants to the water—in broad terms giving them the power to control at all times the amount of water that shall be used by different takers of the stream—does the junior Senator from Montana believe that the Government of the United States can by an act of this kind, called a condition in this statute, control all the flow of water and the distribution of it as against the water commission?

Mr. WALSH. Certainly not. That is perfectly obvious. The Senator asked some question as to whether Congress could authorize the city of San Francisco or adjacent cities to make an appropriation of water. Certainly not. If San Francisco does acquire any rights to the water that is to be impounded, or any right to any water flowing in streams within the State, it must acquire those rights by virtue of the laws of the State of California, and it must acquire them in conformity to the laws of the State of California.

Mr. BORAH. Mr. President—

Mr. WALSH. And if the laws of the State of California empower the water commissioner to regulate these matters San Francisco must exercise its rights to the water in subjection to those laws.

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Idaho?

Mr. MYERS. I do.

Mr. BORAH. I doubt very much whether anyone would disagree with the legal proposition as stated by the Senator from

Montana and stated with his usual clearness and conciseness. But the Senator from Montana must remember that we are dealing with a bill which undoubtedly purports to do things which the Senator from Montana does not think we have the power to do. The provision of the bill which I have read is followed by another statement.

That the said grantee whenever the said irrigation districts desire water in excess of that to which they are entitled under the foregoing—

Not under the laws of the State of California—

That the said grantee whenever the said irrigation districts desire water in excess of that to which they are entitled under the foregoing, shall on the written demand of the said irrigation districts sell to the said irrigation districts from the reservoir or reservoirs of the said grantee such amounts of stored water as may be needed for the beneficial use of the said irrigation districts at such a price as will return to the grantee the actual total costs of providing such stored water—

And so forth.

That was put into this bill as I understand it as the result of an agreement between the Water Users' Association or the irrigation districts and the city of San Francisco, and by reason of inserting it in the bill the irrigation districts were contented, assuming that the Congress of the United States had power to protect their rights in that way. If the bill were drawn in accordance with the statements of the Senator from Montana and doing no more than the Senator from Montana says we have the power to do, I should feel like voting for it.

Mr. THOMAS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. MYERS. I do.

Mr. THOMAS. I should like to inquire of the Senator from Idaho what his view of section 11 of the bill is, as affecting that part of the bill to which he has just called the attention of the Senator from Montana?

Mr. BORAH. Section 11, if it has any force or effect or virtue at all, of course nullifies these preceding sections. Section 11 says:

That this act is a grant upon certain express conditions specifically set forth herein, and nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the State of California—

A most gracious thing for the National Government to say, in view of the fact that it could not do anything else—

or in any way to interfere with the laws of the State of California relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired thereunder, and the Secretary of the Interior, in carrying out the provisions of this act, shall proceed in conformity with the laws of said State.

I have no idea that the Senator from Colorado and I differ at all as to the effects of that, if it has any effect at all—that is, to nullify the preceding sections on which the irrigation districts of California were lulled to sleep as to their interests.

Mr. THOMAS. I should like to inquire whether the annulment would be complete in the opinion of the Senator from Idaho—that is to say, whether the preceding provisions to which he called the attention of the Senator from Montana are in toto in opposition to or in conflict with the laws of the State of California?

Mr. BORAH. I beg the Senator's pardon; I did not catch the drift of his question exactly.

Mr. THOMAS. My question in substance is this: Does the Senator from Idaho conceive that all of that part of the section to which he called the attention of the Senator from Montana is in conflict with the laws of the State of California?

Mr. BORAH. The portion to which I called attention?

Mr. THOMAS. Yes.

Mr. BORAH. Of course, I am not familiar with all the details and all the provisions of the different statutes of California with reference to the use of water, but I do think that in the section to which I directed the attention of the Senator from Montana we are assuming something that we have no power to do, regardless of what the statutes of California may be, and it is toward that that my objections are directed, not to the legal proposition stated by the Senator from Montana.

Mr. WALSH. Mr. President, the Senator from Idaho will understand that I did not undertake in anything I said to seek to justify any particular provision of the bill which might be attacked by an amendment addressed to that special feature. I was simply arguing that the bill as a whole did not present the question which seemed to be troubling the minds of some Senators.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Utah?

Mr. MYERS. I do.

Mr. SMOOT. I think the Senator from Montana [Mr. WALSH] has stated the law very clearly, indeed. I doubt very

much whether any Senator acquainted with the laws governing the acquisition of water rights within a State will question what he said. But it does seem to me that the position the junior Senator takes does not conform to the position that the senior Senator took a few moments before. In an answer to the Senator from Wyoming [Mr. CLARK] the senior Senator from Montana [Mr. MYERS] stated that the water in excess of 400,000,000 gallons daily was to be sold by San Francisco to the water users at the actual cost of producing that water.

I want to call the attention of the senior Senator from Montana to the fact that 400,000,000 gallons capacity of water daily is enough water for 4,000,000 of people. Now, the position which the senior Senator from Montana takes is that if San Francisco and adjacent cities around San Francisco, as mentioned in the bill, use only 200,000,000 gallons of water daily, no one has a right to make an appropriation of the water over and above the 200,000,000 gallons daily, even if there is 400,000,000 developed; or, in other words, outside of the 300,000 acres of land provided with water in this bill, it would make no difference if there were 500,000 acres of land lying adjacent to it and there were 200,000,000 gallons of water daily going to waste and San Francisco could not make use of it; the position taken by the Senator is that there could not be an appropriation made of the water going to waste. I do not believe that the junior Senator from Montana will undertake to defend that kind of a proposition.

Mr. MYERS. Mr. President, I believe I will take the floor and answer that question to the best of my ability, and then proceed with what little argument I have to make.

I do not think there is any manner of doubt about the correctness of my statement that the bill provides that any water stored in a dam or reservoir in excess of 400,000,000 gallons daily shall be sold upon demand by San Francisco to other water users.

Mr. SMOOT. There is no question about it.

Mr. MYERS. I think the bill itself shows whether I am right about that or not. I can only refer the Senator from Utah to the bill.

Mr. SMOOT. I did not deny that. That is the very statement I made.

Mr. MYERS. I am going on to answer. I can not answer it all in one phrase or one sentence. If the Senator thinks that that is too much water to be stored there, it is his privilege to offer an amendment cutting down the amount. It is the privilege of any Senator to offer any amendment which he thinks will subserve the ends of justice. I do not know that this bill will pass the Senate, if it passes at all, absolutely as it is, without the dotting of an "i" or the crossing of a "t." From my inspection and study of it, I am emphatically for the bill as it stands; but if any Senator differs from me about the provisions of it, it is his privilege to offer an amendment to it.

Mr. GALLINGER. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from New Hampshire?

Mr. MYERS. I yield.

Mr. GALLINGER. The Senator has been exceedingly kind in yielding, and if he does not wish to yield further—

Mr. MYERS. I yield with great pleasure to the Senator from New Hampshire. I merely wanted to make the answer which I have made.

Mr. GALLINGER. I asked a question a little while ago, the answer to which will have a very important bearing on my vote on this bill. If I can be made to believe that the welfare of the people of San Francisco requires this grant and this expenditure, I certainly shall cast my vote on the side of humanity, rather than on the side of any legal technicality. What I asked was whether there was any adequate supply of water available otherwise?

Now, will the Senator permit me very briefly to call attention to a report which I have on my table from George S. Nickerson, consulting engineer. I do not know who Mr. Nickerson is; I have had a great many communications on this subject, but I know very little about this matter. Mr. Nickerson, I assume, is a competent authority, and I want, in a very few words, to present what Mr. Nickerson says. He says that the South Eel River and the Putah Creek watersheds will furnish 450,000,000 gallons a day and that the Snow Mountain aqueduct will furnish 450,000,000 gallons a day, as against 400,000,000 from the Hetch Hetchy; that the cost of the Eel River and Putah Creek watershed would be \$38,500,000 and that the cost of the Snow Mountain aqueduct would be \$38,500,000, as against \$77,400,000 as the cost of the Hetch Hetchy.

He goes on further to say that the Irrigation interests will be better subserved by getting the water from either one of these two other sources, and argues that San Francisco can be ade-

quately supplied from either the Eel River and Putah Creek watershed or the Snow Mountain watershed. If that be so, I should vote against the Hetch Hetchy bill. If it could be made to appear that there is no other available water supply, it would be a determining factor so far as my vote is concerned.

Mr. THOMAS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. MYERS. I yield to the Senator from Colorado.

Mr. THOMAS. I do not know who Mr. Nickerson is, but my information is that he was employed on the 10th day of November to make this examination and report. If that be true, then it is certainly a most remarkable thing, and he is the most remarkable and competent engineer not only in the United States but in the entire world, when you come to consider the various details of that report as set forth in this document.

Mr. GALLINGER. The Senator from Colorado will remember that I said I did not know anything about Mr. Nickerson, and I am very glad to have the Senator give the information which he now gives.

Mr. THOMAS. That is the reason, Mr. President, that I volunteered to interrupt the Senator.

Mr. PITTMAN. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Nevada?

Mr. MYERS. I yield with pleasure.

Mr. PITTMAN. In answer to the Senator from New Hampshire [Mr. GALLINGER], I will state that I have some information here with regard to the gentleman who presented this document to the Senate. You will notice that it is submitted by Mr. Henry M. McDonald to the Members of the United States Senate. I have some correspondence here signed by Mr. Henry M. McDonald. I suppose some of the other Senators have, too.

Mr. THOMAS. Does the Senator from Nevada have reference to the correspondence with the engineer who preceded?

Mr. PITTMAN. I have.

Mr. THOMAS. I have some of that correspondence.

Mr. PITTMAN. I desire that it shall be read by the Secretary to the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nevada? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

[From the San Francisco Chronicle, Nov. 16, 1913.]

IS HIS INTEREST PATRIOTIC ONLY?—LETTERS OF STOCKTON MAN GIVE MORE LIGHT ON ADDRESS HE MADE BEFORE CLUB—H. M. McDONALD WRITES—OPPONENT OF THE HETCH HETCHY REFERS TO MONEY FROM AN IRRIGATION DISTRICT.

In view of the fact that Henry M. McDonald, of Stockton, was reported as stating to the members of the San Francisco Center, at its meeting at the St. Francis Hotel on November 8, that he had none but a "sociological, disinterested, patriotic interest" in the Eel River source as a water supply for San Francisco in place of the Hetch Hetchy, the following letters and telegram which were made public yesterday are somewhat confusing.

They are as follows:

[Henry M. McDonald, bonds and investments, suite 35, San Joaquin Building, Webber Avenue and San Joaquin Street. Specialty, irrigation-district bonds. Stockton, Cal.]

SAN FRANCISCO, October 6, 1913.

Mr. R. R. CZEIKOWITZ,
Brown Street, Corner Third, Napa, Cal.

DEAR SIR: Owing to the fact that the United States Senate yesterday determined to defer further action on the Hetch Hetchy bill until December 1 next, I have concluded to proceed at once with the field work about which I talked with you.

I make you the following proposition, viz: I will pay you \$200 for one month's services, together with your expenses, provided you keep the field expenses, in the way of wages, etc., as low as possible. In addition, if I sell whatever interest I may acquire in the proposition to the city of San Francisco or the bay cities I will pay you \$200 additional when I receive payment on account of such sale.

I wish you, if possible, to take your instruments with you when you go to Winters on Friday afternoon, 10th instant, since I wish you to start out with the field work the following Monday morning. I should like to have you arrange to have your assistant, whom you mentioned to me, join you at Winters Saturday afternoon. Your term of service would begin on Saturday, the 11th instant.

When you have finished the Winters section work I should desire you to at once go to Ukiah, in order to take up the Eel River watershed work and from there to the lower end of Clear Lake, in order to cover the section leading from Clear Lake to Putah Creek. I should hope that the entire field work could be done in about three weeks.

Please at once write me at 698 Monadnock Building, San Francisco, advising whether the above arrangement is acceptable.

Very truly, yours,

H. M. McDONALD.

WESTERN UNION TELEGRAM,
(9 SF 10 11w.)

SAN FRANCISCO, CAL., 10.

R. R. CZEIKOWITZ,
Brown Street, corner Third, Napa:

Desire you surely meet me Winters to-night with compass and rod.

H. M. McDONALD.

11.30 a. m.

WANTS CHECK HELD.

Under the above letterhead the following:

SAN FRANCISCO, CAL., November 7, 1913.

Mr. R. R. CZEIKOWITZ,
Care D. A. Judy, Winters, Cal.

DEAR SIR: Please do not deposit my check till next Tuesday, as I am unable to get my money from the Modesto irrigation district till that day.

I expect to be in a position to pay you your month's salary next week.

Very truly, yours,

H. M. McDONALD.

Mr. THOMAS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. MYERS. I do.

Mr. THOMAS. I wish to add, in reference to that interesting correspondence, that I received a letter this morning from Mr. McDonald, who informs me that his sole purpose in going to this expense was to prevent the Democratic Party from making a serious blunder. His devotion to the welfare of that party is so great that he feels it incumbent upon him to make this protest; and if any of the Senators desire to see photographic copies of that correspondence with Mr. Czeikowitz, I have photographic copies here for their inspection.

My information, as I said before, is that after the check to Mr. Czeikowitz was held up, Mr. Nickerson was employed to make this examination and report.

Mr. BORAH. Do I understand that Mr. McDonald wrote to the Senator from Colorado that his sole object was to prevent the Democratic Party from committing a blunder?

Mr. THOMAS. I am not giving the exact language. I intend to refer to this episode in what I shall have to say on the day after to-morrow; but the substance of his letter is that his purpose in calling the attention of the Senate to this matter is his interest in the welfare of the Democratic Party—a very worthy purpose, indeed, as the Senator from Wyoming [Mr. CLARK] so kindly sotto voce suggests.

Mr. BORAH. Yes; it is a worthy purpose.

Mr. GALLINGER. And a very necessary purpose, too.

Mr. THOMAS. Not in this particular. It may be that the Democratic Party will strike shoals, but they will not be the shoals of the Hetch Hetchy.

Mr. MYERS. Mr. President, referring to the statement made by the Senator from New Hampshire, I will say that the document submitted by Mr. Henry M. McDonald has just this day been laid on my desk, and I have had no opportunity to examine it or to learn what it contains. Doubtless others will examine it and refer to it in their arguments.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from California?

Mr. MYERS. With pleasure.

Mr. WORKS. I should like to say that I know Mr. McDonald very well, and he is a very sincere, earnest, and active Democrat.

Mr. THOMAS. Mr. President, I am glad to hear something in his favor.

Mr. MYERS. That is the only good thing I have ever heard of him, and I have heard a number of allusions made to him here.

Mr. BORAH. It is doubtless true also that he is a very ambitious man, as he has started out to do what he said he was going to do.

Mr. THOMAS. All Democrats are ambitious.

Mr. POINDEXTER. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Washington?

Mr. MYERS. With pleasure.

Mr. POINDEXTER. The Senator from Montana says he has heard a great deal that is uncomplimentary about Mr. McDonald. Is it not true that he has heard a great many uncomplimentary statements about the motives of everybody who has opposed the Hetch Hetchy bill?

Mr. MYERS. Yes; and I have also heard some uncomplimentary statements about the motives of those who are supporting the bill; in fact, about both sides. I think there has been much misrepresentation and distortion of motive in this matter. I think the measure ought to be considered on its merits.

Mr. POINDEXTER. The Senator from Idaho [Mr. BORAH] a few days ago called the attention of the Senate to publications in which he, myself, and everybody, in fact, who was not willing to agree to the passage of this bill were charged with being in the employ of water-power companies and receiving pecuniary consideration for opposing the bill. The fact of the case is that the statements of interested parties against Mr. McDonald

have very little weight with me in this matter; the motives are too obvious. I do not know anything about Mr. McDonald except what I have learned from statements in a very recent correspondence, but I do not think that we can determine this question upon the opinion of people whose feelings are evidently very much wrought up over matters in which they are deeply concerned. So far as Mr. McDonald is concerned, he ought to be judged, I think, rather by the merits of the argument that he makes. The statement can be examined, and if it is not true in fact its untruth can be shown.

Mr. THOMAS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. MYERS. With pleasure.

Mr. THOMAS. The purpose I had in view in first interrupting was to inform the Senator from New Hampshire of the possible incompleteness or superficiality of the report of Mr. Nickerson and not for the purpose of casting, at that time at least, any reflection upon anybody. I have heard also, as has the Senator from Washington [Mr. POINDEXTER], all sorts of bad motives imputed to men, both on this floor and elsewhere, interested for or against this measure. I think, like all matters of similar importance, there is basis in some directions for the existence of these things, but, generally speaking, they are the result of passion, suspicion, and strife. Personally, I have heard nothing that affected me a particle with reference to my judgment of this matter, except in so far as the statements are not founded in fact; and I think when there are such statements or reports that the motive has a great deal to do with the question of their truth or their falsity, or, at least, should influence us in determining the extent to which our judgment should be affected.

So far as the Senator from Washington [Mr. POINDEXTER], the distinguished junior Senator from California [Mr. WORKS], the Senator from Idaho [Mr. BORAH], and all Senators are concerned—I speak particularly of these Senators because I think their names were mentioned—they are so far above the possibility of suspicion that nothing that may come in could in any way, I think, affect the judgment of the Senate one way or the other. The only thing I have ever heard against the three Senators that seemed to be any sort of reflection upon their standing is that they do not belong to the Democratic Party.

Mr. McCUMBER. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from North Dakota?

Mr. MYERS. With pleasure.

Mr. McCUMBER. Will the Senator from Montana allow me to ask him a question concerning the merits of the case rather than concerning Mr. McDonald?

Mr. MYERS. With pleasure.

Mr. McCUMBER. I agree entirely that the Senator from Montana has not overstated the power of the Government in fixing any conditions it sees fit in granting the right to flood this particular section of the valley; but, assuming that the Government has the power to fix those conditions and that it may forfeit the right of San Francisco if the conditions are not carried out, no matter what the law of the State of California may be, is it a proper policy for this Government to pursue? Is it not far better, if the Congress finds that this section of the valley ought to be flooded for the benefit of the citizens of the State of California, that it should simply allow them to flood that section and then allow the State of California to determine what shall be done with the water, leaving the State of California to deal equitably with her own citizens? That is the principal objection that I find to the bill; and I should like to have the Senator's opinion whether we can not safely trust the people of the State of California to determine the distribution of the water after we have allowed the State the privilege of flooding a few thousand acres for that purpose.

Mr. MYERS. Mr. President, if any of the provisions of this bill are in contravention of the rights of the State of California, they are null and void; and if not in contravention of those rights, I think it a most humane and laudable thing for the Government of the United States to provide the manner in which the people of San Francisco may secure for themselves an adequate supply of water.

Mr. McCUMBER. Does not the Senator think, Mr. President, that the State of California can look after its own people, and will look after them, with the same jealous care that the Congress can look after their interests, and with a greater knowledge than we could possibly have of the subject matter?

Mr. MYERS. Within the sphere of its rights it is just as much the duty of this Government to accord to the citizens of San Francisco their rights as it is the duty of the State of California, if the two are not in contravention. I am a believer

in the Federal Government doing what may legitimately be done in the interest of life and humanity.

Mr. PITTMAN. Mr. President—

Mr. MYERS. I yield to the Senator from Nevada.

Mr. PITTMAN. I offered those letters in evidence, not for the purpose of attacking Mr. McDonald particularly, but for the purpose of discrediting that report. The letter dated the 7th of November, that has been laid before the Senate, refers to another engineer, who evidently did not make any report. Since the 7th day of November Mr. Nickerson, who has made this report, was employed, which goes to show how carelessly the report must have been compiled and submitted, the engineer, as I have said, having been employed only since the 7th day of November.

It took the Government engineers months to estimate the amount of water flowing in those streams and the cost of the proposed water system, and yet there is placed on our desks a report by this man McDonald, which was made inside of ten days or two weeks, and in which he undertakes to set forth statements as to other supplies of water.

I want to say also that I believe we are justified in questioning the credibility of any witness before this body. Mr. McDonald has submitted himself as a witness before this body. He has submitted to this body a report in writing. His interest can be considered. In the letter of November 7 he admits that if he receives a commission on the sale of this very water right to the city of San Francisco he will give this engineer a part of that commission.

Mr. MYERS. Mr. President, I will make one statement that I believe can not be controverted by any Member of this body. That is that the less I am interrupted the sooner I will get through, and I want to get through. I do not know whether the others want me to get through or not, but I want to get through. I will say, however, that I cheerfully yield to all reasonable and pertinent inquiries, suggestions, and comments, because I want this matter thrashed out on its merits and not on prejudice. I want the merits and the facts of the matter brought out, and I want it voted upon after a full and complete discussion.

A number of questions have been put to me and I did not get a chance to answer them all in full, but I will make one or two comments on each as I go along.

In further answer to the Senator from North Dakota [Mr. McCUMBER], of course it is patent to the Senator from North Dakota that the State of California could not grant to the city of San Francisco a right to construct this dam and reservoir in the Yosemite National Park. It could not grant a right of way across public lands. It could not grant a right to take from public lands timber, stone, or earth, or to do many things the right to do which can be granted only by the Federal Government. If the Senator thinks the bill goes a little too far, it is in his power to offer an amendment to it.

As to the Senator from Washington [Mr. POINDEXTER], I wish to say what is probably no news to him, that I do not share in the aspersions that have been made upon his motives or upon his character, or those of the Senator from Idaho. I suppose that is no news to either of them. I was not a party to any such aspersions and have no faith or belief in them.

As to the pamphlet which was brought to my attention by the Senator from New Hampshire, as I started to say a moment ago, it has just been laid on my desk. I understand from others sitting around me that it purports to be the report of an engineer who claims to have made within a few days some wonderful discovery, whereby he can furnish a better and cheaper water supply to the city of San Francisco than any other yet known. Until I get a chance to read it I shall say no more about it than this: The Holy Writ tells us that God created the earth and everything that is in it in seven days; and I should not be at all surprised to see some civil engineer, if he had a motive, say that he could create the whole thing in a half day.

Mr. GALLINGER. Mr. President, I should like to correct the Senator from Montana. I believe it was six days instead of seven. [Laughter.]

Mr. MYERS. Six days; that is true. I thank the Senator from New Hampshire for setting me right; but my memory does not extend quite so far back as does his, nor am I so learned in the Scriptures as is he.

Mr. GALLINGER. I trust the Senator did not mean to insinuate that my memory went back to that time?

Mr. MYERS. No; but the Senator can remember further back than I can, and evidently is a better Bible student. From his long and consistent career as a Republican I am only sorry that he does not profit more by his study of the Scriptures.

As to the last suggestion made by the Senator from Utah, I understand that the city of Denver has a water supply of 200,000,000 gallons daily. With more than double that popula-

tion I believe that the people of San Francisco and the surrounding cities are reasonably entitled to twice as much as the city of Denver.

Mr. SMOOT. Mr. President, I wish to call the attention of the Senator to one fact. In Denver all of the lawns, trees, and all of the city lots are watered from its city water supply, amounting to 215 gallons per day per capita.

Mr. THOMAS. And almost everything they drink.

Mr. SMOOT. And, as the Senator from Colorado suggests, almost everything they drink.

Mr. MYERS. Such would be the case in San Francisco also.

Mr. SMOOT. Oh, no; not at all. In San Francisco they do not use for irrigation the amount of water that they do in Denver, nor do they use it there for irrigating lawns, trees, and city lots as much as they do in many of our western cities. Therefore the comparison is not a fair one when we take into consideration the amount of water used in a dry, arid country as compared with a wet country like San Francisco.

Mr. MYERS. That may be. I have understood that San Francisco is very dry and arid in the summer time; but another feature of the matter is that this bill is not intended alone to supply the people of San Francisco and the adjacent communities with just enough water for a day, but to give them an adequate supply for 50 or 75 years to come. They must lay up something against the future. They must provide for the future and not for to-day only.

Mr. SMOOT. Mr. President, may I ask the Senator another question?

Mr. MYERS. With pleasure.

Mr. SMOOT. Is the Senator's real object in supporting this bill to give San Francisco sufficient water for her domestic purposes?

Mr. MYERS. Yes; for many years to come.

Mr. SMOOT. Then why does not the Senator offer an amendment to the bill granting San Francisco the right to pass over the public lands and to construct a dam, and let San Francisco secure whatever rights she has in the water by appropriation and use through the State law, as every other person, corporation, or the Government itself must do?

Mr. MYERS. They have already taken steps to appropriate a large proportion of this water.

Mr. SMOOT. Would the Senator be satisfied with a bill that would grant to San Francisco simply a right of way over the public domain and for the construction of a dam?

Mr. MYERS. No. If the city of San Francisco floats bonds and goes to the enormous expense of constructing this reservoir, I think it ought to have its reasonable needs satisfied out of it in the way of a water supply.

Mr. SMOOT. Of course San Francisco ought to have that; but the only way in which San Francisco can have her needs supplied is under the laws of California. San Francisco can make appropriations of the water, and I understand she has already done so. If she has made those appropriations, all that prevents her from going on with the project is that she must have an act of Congress authorizing her to construct a pipe line over the public domain and build a reservoir. Such a bill, as that can be written in 2 sections, instead of 11 sections extending over some 30 or 40 pages.

I can not see why the Senator insists upon anything more than that, nor do I see why San Francisco should insist upon anything more. That will give her all the rights Congress can give her. It will give her a right of way to enable her to use every drop of water to which she is entitled. She is not entitled to a gallon of water she has not appropriated under the laws of California, no matter how many bills we pass in Congress purporting to grant her more.

Mr. MYERS. If the city of San Francisco should issue bonds in an amount sufficient to construct this dam and reservoir, does the Senator from Utah think those bonds would be salable unless there were some definitely established way in which San Francisco could get the use of the water in the reservoir?

Mr. SMOOT. Why, Mr. President, that is just what I should wish San Francisco to have, and that is just what I think the bill ought to give her, and nothing more. If San Francisco is granted a right of way over the public domain and a right to construct a reservoir, that is all she can ask of Congress, and that is all Congress has the power to grant to her.

Mr. NORRIS. Mr. President, will the Senator from Montana yield for a question?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. MYERS. With pleasure.

Mr. NORRIS. All that the Senator from Utah says we ought to do we have done in the bill; but we have done more, and, as I understand, that is what he objects to.

Mr. SMOOT. That is true,

Mr. NORRIS. The additional matter was put in by the House of Representatives—I should like to be corrected if I am wrong—because of the insistence of the irrigationists that it should be put in. The city of San Francisco did not ask that it should go in; but in order to be in harmony with the irrigationists and to satisfy them the provision in regard to giving water to the irrigationists was put in the bill.

Certainly I do not believe it adds anything to the bill, and the Senator himself admits that it does not hurt it any when he says that it can not have any legal effect. It was put in to harmonize the very men that the opponents of the bill are trying to see get all their rights. They wanted it in, and it was put in to satisfy them, and the bill went through the House of Representatives in that way.

Now, at this late hour, when the matter has been postponed and put over and delayed, a proposition comes in to take out of the bill what the opponents of the bill demanded should be put into it.

I do not think it hurts anything, although I concede it does not do any good. If I were writing the bill I should not put it in, and if we were considering it here first, I think I should vote in favor of an amendment to strike it out. But it only means delay; and there are a great many people and interests opposed to this legislation that are willing to delay it, if they can not defeat it outright, and then to-morrow we will have another yellow book on our desks. Some new thing will spring up; some new discovery will be made; some new engineer will have made an investigation while we slept the night before, and will have discovered some new supply, and then a delay will be demanded on that account.

Mr. SMOOT. The Senator thinks it is not going to hurt anything to put a great many unnecessary provisions in this bill. This is what it will do, Mr. President, if nothing else: It will give San Francisco at least a chance to bring a lawsuit against any citizen of the United States who undertakes to make a filing upon the waters of the Tuolumne River. It will be a basis for such action.

Mr. NORRIS. Does the Senator contend that anyone who might make a filing on this water at a date subsequent to the date at which San Francisco had filed would have any legal right?

Mr. SMOOT. If there is more water than is required by San Francisco, any citizen of the United States has a perfect right to make a filing; and there is not a court in San Francisco that would not grant him that right.

Mr. NORRIS. What difference does that make, under the particular provision to which the Senator is objecting? He could do that anyway.

Mr. SMOOT. Yes; but this would give San Francisco a basis for bringing a suit against a man making a filing.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from California?

Mr. MYERS. With pleasure.

Mr. WORKS. A good deal has been said here about the agreement made between the irrigation districts and the city of San Francisco. San Francisco did not desire to make any agreement of that kind. She wanted a straight grant, and she is entitled to it if she is entitled to anything. On the other hand, the water users in those districts sent a delegation on here with instructions to oppose this bill. When they got here, instead of opposing it they entered into this agreement with San Francisco. The water users, who were the real parties in interest, protested against it at the time; and now 99 per cent of them are protesting against the passage of this bill and the action of the delegates who were sent here in making the compromise. But aside from that there are 200,000 acres of land in the rich San Joaquin Valley that are not affected or protected by this agreement at all; and, as the Senator from Utah says, every landowner in the valley has a right to file upon this stream, no matter whether this bill is passed or not. If there is any surplus water left there, they are entitled to take it up in that way and appropriate it to their use.

There is one thing the passage of this bill will accomplish, however, if nothing else. It will make a fine crop of lawsuits where there are conflicting claims under the Federal law and under the State law. One of the misfortunes to San Francisco is that if this grant is made upon these conditions, and if San Francisco is unable to carry out those conditions under the laws of California, the Federal Government has a right to forfeit the grant, no matter how much money San Francisco has expended upon it.

Mr. SMOOT. Before the Senator takes his seat, I should like to ask him if the directors of the irrigation association interested in this bill who sent a representative down here to appear for the association have not been removed and new ones put in their places?

—Mr. WORKS. Yes; they have been removed because of this compromise that was made, and made in opposition to the wishes of the property owners themselves.

Mr. NORRIS. Mr. President, if the Senator is through I want to make one suggestion, if the Senator from Montana will permit me to do so.

Mr. MYERS. With pleasure.

Mr. NORRIS. While I believe there has been a great controversy going on there, and somebody doubtless has been removed from office, as the Senator has said, let us see what a fine play that would be if it were kept up.

According to the argument of the Senator from Utah, the men who made the agreement to put these obnoxious things into the bill for their own benefit have been removed from office, in order to get another delay, and somebody else has been put in their place. They come here now, after former representatives have gotten in the bill what they wanted, and say: "Take that out. We have got another set of fellows here." That would delay the bill; and the next step probably would be that they in turn would be removed, if some other scheme should not develop to delay it, and their successors would say: "Put it back in again," or something similar to that. "We have removed these fellows now, and they do not represent us any more."

There is no doubt that this agreement was made in the best of faith. I know the men on the other side. I have seen in the RECORD telegrams from irrigationists showing that at mass meetings men now in Congress were directed to support this bill just as it is here now. Representatives of those irrigation districts have been here, among them a former Member of Congress.

I objected to these things as a member of the committee of the Senate when the bill came over here, and told one of these gentlemen that I did not like the provisions. He said: "If those things are stricken out of the bill, we are going to fight it. We insist that they shall go in. In good faith we have made an agreement that we would cease our opposition if those provisions were put in the bill, and we want them to remain in the bill." If the people out there now change their minds, remove these men, and put others in their places, I do not know where we are going to end if we change every time they do.

Mr. THOMAS. Let me suggest to the Senator from Nebraska, also, that the bill as it came here received the undivided support of the entire California delegation in the House.

Mr. NORRIS. Yes.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana further yield to the Senator from California?

Mr. MYERS. With pleasure.

Mr. WORKS. The Senator from Nevada and the Senator from Nebraska are mistaken in saying that the people out there have changed their minds. They have not. The men who are using the water have always opposed this bill. The delegation that came on here acted in violation of the instructions they had when they came here.

Mr. NORRIS. Then I should like to ask the Senator the meaning of the telegrams that are in the hearings in which at meetings of these irrigation districts Members of Congress were instructed to support this identical bill.

Mr. WORKS. I should like to see those.

Mr. NORRIS. They have been printed. The Member of the House of Representatives who represents the district where these irrigation districts are located read into the record letters and telegrams from those citizens asking that he support this bill. I do not dispute it; in fact, I believe with the Senator that there are a great many other people there who are opposed to it. They never showed up, however, in their opposition until the bill had passed the House. After the hearings there and the bill had come to the Senate and been taken up by the Committee on Public Lands of the Senate and the hearings closed, when we were ready to vote on the bill, for the first time the matter was brought up. I want to ask the chairman if that is not true, because if I am mistaken I would like to be corrected. I think he attended every meeting of the committee. I ask him if it was not at the very meeting where we were just ready to vote on reporting out the bill that for the first time these people appeared in opposition to the bill?

Mr. MYERS. The Senator is absolutely correct.

Mr. SMOOT. But was there a single hearing of the Public Lands Committee of the Senate before that time?

Mr. NORRIS. Yes; there was a hearing, and both sides were there and agreed what should be done. They agreed to file briefs. Neither side objected to it, and their briefs were filed and printed.

Mr. SMOOT. I think I happened to be at the meeting the Senator speaks of, and it developed at that meeting that the

representative of the Water User's Association was lukewarm. He had nothing to say at all. He did not care whether he was heard or not. The Water Users' Association of California did not understand the situation until he returned home, and they did protest just as soon as they found out the true situation here. They protested by wire and by letter.

Mr. NORRIS. I am not disputing that, but I want to ask the Senator if it was not admitted by their representative the first time anybody ever did appear and represent them that every right they had under the California law was protected by this bill.

Mr. THOMAS. And more.

Mr. NORRIS. I ask the Senator if it is not true that it was admitted there at that time that this bill protected every legal right they had under the State of California?

Mr. THOMAS. And more, because—

Mr. BORAH. Mr. President—

Mr. THOMAS. Pardon me just a moment. It appeared that the capacity of the distributing ditches was less than the appropriation, but the entire appropriation was allowed in the bill, plus 4,000 second-feet during the flood season of every year.

Mr. SMOOT. Congress has no right to do that.

Mr. THOMAS. I will not discuss that now. I simply want to make the statement as emphatic as possible that at the time these gentlemen got what they demanded, and very much more, after which for some reason they became disinterested.

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Idaho?

Mr. MYERS. With pleasure.

Mr. BORAH. We are constantly saying here that the farmers got all they were entitled to and more. The farmers could not get anything under this bill, and there is where the deception is. The farmers must depend alone for their rights on the laws of California.

Mr. THOMAS. I suppose—

Mr. BORAH. They had a right to rely on the fact that Congress would not undertake to do what it has no constitutional power to do.

Mr. MYERS. This bill recognizes those rights. It does not contravene them.

Mr. THOMAS. If the Senator from Idaho means that what the bill provides for is beyond the power of Congress to provide, then he is correct. What my statement refers to is the negotiation, the agreement.

Mr. BORAH. I have no doubt of that.

Mr. THOMAS. The result of various conferences afterwards embodied in the bill.

Mr. BORAH. I have no doubt the Senator is correct about that.

Mr. THOMAS. I think it was Mr. Le Hane, a very intelligent and worthy gentleman, who appeared before our committee and who presented the case before us for the water users. He was unable to say that the people he represented did have anything more than a moral right to the waters of the San Joaquin Valley beyond the appropriation that had been recognized and provided for in the bill.

Mr. WORKS. Does the Senator believe that they had nothing more than a moral right? Do they not have a legal right to file upon a claim if there is any surplus?

Mr. THOMAS. If the waters of the stream had been exhausted by previous appropriation, then they had not even a moral right.

Mr. WORKS. Certainly not; but if it had not been appropriated they had a legal right.

Mr. THOMAS. If there is any water there above and beyond the amount of water taken by San Francisco under this appropriation, then, of course, these gentlemen have a legal right, as any citizen of California has.

Mr. WORKS. What does the Senator mean by a moral right to file upon water?

Mr. THOMAS. I am simply stating the ethics. I did not pretend to define what I meant.

Mr. WORKS. I want to know if the Senator recognizes any such right as that?

Mr. THOMAS. To the water, no. Consequently I thought that the statement itself defeated any claim these gentlemen had to make before our committee. I want to say that as one member of that committee, if it had been brought to our attention that any provision made previous to the appropriation of San Francisco had not been included or provided for I would have fought it, for inasmuch as the bill assumed to provide for some it ought to provide for all.

Mr. MYERS. Mr. President, I will not comment upon all the statements that have been made. I will say in regard to

the suggestion made by the Senator from Wyoming [Mr. CLARK] a while ago, from which we have gotten away, that if the necessities of the condition of San Francisco be consulted, the construction of this dam will result in the storing of more than 400,000,000 gallons daily, and that is more than San Francisco needs. Then the bill recognizes the fact that San Francisco has no right to such surplus, and it will go to others, to anybody who files demand and pays the cost of it. It belongs to the people of California, to anybody who is willing to use it for beneficial purposes, and to reimburse the city of San Francisco for the actual loss and expense of causing the water to be brought there. It does not belong to San Francisco at all, and it is recognized that it goes to whoever may show a right thereto for beneficial uses.

There has been a great deal said and there is going to be a great deal said in this discussion about whether or not this is the most available water supply. The city of San Francisco has been looking for an adequate water supply for 12 years. It has had its city engineers and the most competent engineers that it can employ outside of the city for 12 years hunting for an adequate water supply. The result of it all is that this is the cheapest and best and most feasible water supply that it can get.

Not satisfied with its own exertions, or not relying entirely upon them, the Government of the United States, through the Department of the Interior, ordered a board of three Army engineers to thoroughly investigate the sources of supply from a wholly disinterested standpoint—from the standpoint of the Government. The record of that investigation by a board of Army engineers, which gave personal attention to the matter, is that this source of supply is reported to be the most feasible, the most adequate, the most natural, and that none other can be obtained without an expenditure of at least \$20,000,000 more than the cost of this contemplated supply.

The report of the Army board, at page 16, says on that subject:

In one important respect the situation in California requires special consideration. In eastern cities, where there is little consumption of water except for municipal supply, it may be safely assumed that if at any future time additional water is needed the existing sources will usually be available as at present. In California all water has great value. Due to the large extent of arid and semiarid land that can be made fertile by the use of water, irrigation is assuming great importance; due to lack of coal and the opportunity for economical water-power development, the use for the latter purpose will surely be greatly extended. In a relatively few years practically all available water will doubtless be appropriated for one or the other purpose, and it will then be possible to obtain it for municipal use only at great cost and damage to existing communities and industries. It is, therefore, necessary to-day for the cities of California to look further ahead than in most other parts of the country, and to take such steps that in the future when they may need the water they shall have the right to it. For this reason it is believed that in making provision for the future supply of San Francisco and other bay cities a source should be selected, if possible, that is capable of supplying the needs of the communities for the balance of this century. Such a course would seem both wise and reasonable, provided it involves no sacrifice of economy.

Mr. SMOOT. Do I understand the Senator to claim that San Francisco or any other city can file upon the waters of the State with a view to the quantity that will be consumed by them a hundred years hence and hold it against the appropriation of any other citizen of the United States who wants to put it into use immediately?

Mr. MYERS. I believe that the common law of water appropriation is that water may be appropriated for a beneficial use or purpose to the extent which is the most reasonable, being necessary therefor, and that it may be used to the extent to which it is needed. If the Senator thinks that 400,000,000 gallons daily would be too much for immediate use and would not be too much 50 or 75 years hence, then he could offer a proper amendment that the city could have only 300,000,000 gallons for the next 50 years, 350,000,000 gallons for 10 years after that, and 400,000,000 after that, but it would be folly to allow San Francisco to engage in the undertaking of merely providing an adequate water supply for its use to-day without looking to the future, however the estimate of this board of Army engineers report as to what the population of this community will be in 50 or 75 years from now.

Mr. SMOOT. The estimate that is given by the Army engineer is that in the year 2000—that is, 87 years from now—there will be required for San Francisco and all the adjoining territory only 540,000,000 gallons daily.

Mr. THOMAS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. MYERS. I yield.

Mr. THOMAS. I want to ask the Senator from Utah this question: Does he think the city of San Francisco has the power to appropriate only so much water as is necessary for its immediate uses?

Mr. SMOOT. I would not go that far, Mr. President, because I think that it has the right to make an appropriation for not only the immediate use, but for a reasonable length of time. I think that has been held in all the States, and I will say to the Senator, in my own State it has been decided definitely by statute.

Mr. THOMAS. As a municipality?

Mr. SMOOT. As to all appropriations of water, whether it is the Government, whether it is a municipality, or any other appropriator, the length of time is four years.

Mr. NORRIS. Will the Senator from Montana permit me to ask the Senator from Utah a question?

Mr. MYERS. With pleasure.

Mr. NORRIS. I should like to ask the Senator from Utah on this question of the immediate and the future use of water, does he contend that if this bill is passed and there is more water impounded than San Francisco needs now it can not be used for irrigation or for any other purpose?

Mr. SMOOT. I believe this, Mr. President, that if anyone made an appropriation of the water, San Francisco would fight it.

Mr. NORRIS. This bill does provide for it. It would be true, according to the Senator's own contention, if it did not use this water now, or had no immediate use for it, it would be subject to the laws of California for use other than beneficial purposes. Nobody will contend otherwise.

Mr. SMOOT. I think myself that is the correct position, but that is not the position the Senator from Montana takes. I say again to the Senator that I think the understanding of the Senator of Montana is the understanding not only in San Francisco but the people generally of California. If there is an appropriation made, I have no doubt but that there will be a lawsuit started by San Francisco against the appropriator, and the result will be an endless litigation. If this bill passes as reported to the Senate, I want everyone to remember the words made by the junior Senator from California to-day in relation to litigation that will ensue.

Mr. NORRIS. I could not say; I want to say to the Senator, there would not be litigation started; but suppose we struck it out of the bill, where is there any assurance that there will be no litigation then between men or municipalities contending for the use of the water?

Mr. SMOOT. There will be no further litigation, Mr. President, than we find among the appropriators of waters in all the States. Of course there will be litigation, but it will be litigation based upon the laws of the State and not an act of Congress.

Mr. NORRIS. This litigation, if it comes, according to the Senator's own contention, will be upon the laws of the State. If this law is passed and San Francisco should refuse to comply with the terms of the act and refuse to give water or power that she herself was not using and some one claimed that right and commenced a suit against San Francisco, he would probably commence it under the State law, and it would not make any difference. It would be a lawsuit just the same, whether commenced under the State law or under this law.

Mr. SMOOT. There is another question involved that I have not spoken of, nor have I heard anyone else speak of it. It is not only a grant for the use of water by San Francisco, but it is a grant for the use of water for power purposes. San Francisco may use all the 400,000,000 gallons for the development of water power and not more than 100,000,000 gallons for domestic purposes.

Mr. NORRIS. But the Senator must see this point, it seems to me, that the use of water for power does not decrease the water. The water is there and it can be used for drinking purposes or for irrigating purposes after it has gone through the water wheel.

Mr. MYERS. I think the Senator from Nebraska has answered that very correctly. It is the only answer that could be given. I understand that the right to use water for power purposes is only incidental. I do not see how the water could be consumed for power purposes. The water is there for power purposes as well as other uses.

The Senator from Utah has correctly stated that it is estimated that 87 years from now the people of this district will need 540,000,000 gallons daily, and I think we ought to be allowed to look 87 years ahead. I do not think that is an unreasonable time. I understand the law of water appropriation is that if a man appropriates water for use on a piece of land he may appropriate so much as may be necessary now or at any reasonable time in the future. The water may be needed some time upon the land, and while 87 years might be a long time to look ahead for an individual appropriation of water on land, I do not think it is too long to look ahead for

the safety of people who constitute a population of three-quarters of a million to-day and who are growing rapidly.

Getting back to the proposition that this is the only feasible and reasonable source from which to get this water, on page 12 of the report of the Board of Army Engineers the following statement is made:

During the summer of 1911 the board personally visited the Spring Valley water system, the Hetch Hetchy and Lake Eleanor reservoir and dam sites, Lake Vernon, Cherry Creek, the principal reservoirs on the Mokelumne River, the suggested reservoirs on the Yuba, the Sacramento, and the San Joaquin Rivers.

During August, 1912, the board inspected the People's Water Co.'s plant for supplying Oakland and the other transbay cities, the Hetch Hetchy reservoir and dam site a second time, the Tuolumne Meadows and other camping sites in the Tuolumne watershed, and the Turlock-Modesto irrigation district. One member of the board inspected the McCloud watershed and the Feather River watershed.

After that explanation setting forth in detail what the board did, it comes to these conclusions:

The project proposed by the city of San Francisco, known as the Hetch Hetchy project, is about \$20,000,000 cheaper than any other feasible project for furnishing an adequate supply. The only exception is the filtered Sacramento project, which in actual cost is about \$30,000,000 greater than the Hetch Hetchy project, but by discounting to 1914 becomes only \$13,000,000 greater.

The Hetch Hetchy project has the additional advantage of permitting the development of a greater amount of water power than any other.

The best available sources, outside of the Tuolumne River, appear to be the filtered Sacramento, the McCloud, a combination of the Lake Eleanor-Cherry-Stanislau and Mokelumne, and a combination of the American-Cosumnes-Stanislau and Mokelumne. For a smaller supply the Eel River or the Yuba River could be used, but they do not lend themselves economically to combination with other sources, and are therefore to that extent not available.

I believe the Eel River is the one set forth in the pamphlet by Mr. Henry M. McDonald, who has suddenly and with such amazing rapidity discovered what other people, who have been looking and hunting for 12 years, could not find.

From the statement of Mr. John R. Freeman, in the hearing beginning November 25, before the Secretary of the Interior, it appears that the city, in case of being denied the Hetch Hetchy, will desire to use the Lake Eleanor-Cherry-Stanislau-Mokelumne combination. In the report of Mr. Freeman of January 30, 1913, the cost of this project is largely in excess of either the McCloud or the Sacramento River projects.

The board is of the opinion that the use of the Hetch Hetchy Valley as a reservoir site is necessary if the full flow of the upper Tuolumne is to be conserved.

The board further believes that there will be sufficient water if adequately stored and economically used to supply both the reasonable demand of the bay communities and the reasonable needs of the Turlock-Modesto irrigation district for the remainder of this century.

The valley of the San Joaquin has less rainfall and less run-off from its rivers than the valley of the Sacramento. The Tuolumne River could if not used for city supply be used to irrigate a large amount of fertile land, as could almost any river in the valley of California if means are found economically to store the water.

The board believes that on account of the fertility of the lands under irrigation and their aridity without water the necessity of preserving all available water in the valley of California will sooner or later make the demand for the use of Hetch Hetchy as a reservoir practically irresistible. The board does not think that a delay of a few years in transforming the Hetch Hetchy Valley into a reservoir is of importance, and therefore does not think it necessary to require delaying construction of this reservoir until the Lake Eleanor and Cherry sources have been fully developed.

The board believes that the regulations proposed by the city will be found sufficient to protect the waters from pollution, and that these regulations will tend toward the protection of campers and others using the park and will not be onerous upon them. It recommends, however, that the permit to the city require the city to take other means, such as filtration, to purify its water supply if these regulations are ever deemed insufficient.

The construction of reservoirs, especially the Hetch Hetchy, will destroy a few camping grounds in the park. The construction of the proposed trails will, however, render accessible other parts of the park not now readily reached, and the number of camping places within the park is large.

In those conclusions it is clearly shown that the Board of Army Engineers believe that this source of supply is the most feasible, the most available, the most proper, and is cheaper to the extent of \$20,000,000 than any other that can be had anywhere. The sum of \$20,000,000 is a vast sum of money to require the people of San Francisco to absolutely throw away and waste if they can get a supply of water from this source for \$20,000,000 less than anywhere else; and to deny them that right and to force them to absolutely throw away that immense amount of money would be unreasonable, absurd, and unjust, in my opinion. With \$20,000,000 the city of San Francisco could make many improvements for the welfare of its citizens; it could engage in many undertakings that would make life more endurable and better for the masses of the people of that city. It would be, I repeat, an absolute waste to require them to divert that vast sum of money from some useful purpose to which it might be put and which would confer upon people benefits not now enjoyed, and to require them to squander it by spending it where no good could be derived from it; for, if it is spent in acquiring a water supply no better than this water supply, if this water supply can be ob-

tained for \$20,000,000 less, that vast sum of money would be absolutely wasted and devoted to no good purpose.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Nebraska?

Mr. MYERS. With pleasure.

Mr. NORRIS. I would like to suggest to the Senator from Montana that, in addition to the fact of its being the cheapest, this water supply is practically the only one, or at least the best one, for the development of power—

Mr. MYERS. By far.

Mr. NORRIS. And that by means of that development the cost of the entire project can be ultimately repaid, besides giving cheap power and cheap light in the meantime.

Mr. MYERS. That is one of the greatest benefits to be conferred upon the people of California in close proximity to this project. Most of the sources of supply that will cost \$20,000,000 or more in excess of this source of supply would furnish no facilities whatever for electrical power—not a particle—and the money to the amount of \$97,000,000 or more would furnish only water and absolutely no electrical power. Where is the person who will say that the cheap generation of electrical power is not one of the greatest blessings that is conferred upon mankind to-day, one of the greatest improvements in the condition of things that have occurred in generations?

Take the Sacramento River water supply, for instance, which the board says will cost \$30,000,000 more than this source of supply will cost, and it will furnish no facility whatever for electrical power. The sum of \$107,000,000 or more would be spent for water only. It has its drawbacks, too, because the board calculates that in years to come, by reason of the increased use of water from the Sacramento River for irrigation purposes along the course of the river, the supply of water in the river will be so diminished that the salt water of the ocean will be very likely to extend up to where the pumping station might be placed. An investigation of the Army board report shows most conclusively that Hetch Hetchy is not only the cheapest, but the best, the most available, and reasonable source of supply, and the only one that ought to be considered. This source, as I have said, does not only apply to present-day needs, but it may be safely calculated upon to provide for 80 or 100 years to come, when the population of these communities shall have increased vastly beyond what it now is.

This proposition is not to take one drop of water out of the Tuolumne River that is now flowing in it, but to erect a dam there and create a reservoir on land owned in part by San Francisco and in part by the United States which will impound water which for ages has been going to waste and flowing on to the sea, is going to waste and flowing on to the sea now, and will continue to do so, nobody knows how long, if this privilege is not granted. If this privilege is granted and if the city avails itself of it, it will make use of millions of gallons of water daily that flows on to the sea and does nobody any good whatever—neither irrigationists nor agriculturists nor cities nor individuals. The passage of this bill will simply enable the city of San Francisco to avail itself of wasted water that now flows on to the ocean and does nobody any good; and I can not see that that interferes with the rights of anybody or gives any reasonable ground for complaint.

The city has taken every step that is permitted under the law to vest itself with the rights desired, and only asks for the permission of Congress to do such things as may be granted only by the Federal Government; and my understanding is, if other provisions are put in the bill, they were put in by express agreement and at the request of representatives of the irrigationists and of the agricultural districts that will be affected.

The city of San Francisco has spent nearly \$2,000,000—I understand more than a million and a half dollars—in acquiring land and water rights and other privileges in connection with this proposed enterprise. It has voted \$45,000,000 of bonds to inaugurate this work, which will be of such vast and incalculable benefit to its citizens and to the people of the adjacent country. The city of San Francisco now owns two-thirds of the floor space of the Hetch Hetchy Valley, acquired years ago from private owners. It owns other lands in the Stanislaus Forest Reservation, and proposes to exchange its lands in the Stanislaus Forest Reservation for Government lands in the basin of the Hetch Hetchy Valley, in order that it may own all of the floor of the Hetch Hetchy Valley that will be covered by the water to be impounded there.

San Francisco has gone to millions of dollars of expense in preparatory work, has spent 12 years in investigation, has bought land and issued bonds and paid money for land, and now, at this late day, come in some eleventh-hour-and-fifty-

ninth-minute engineers to say that in a minute almost, or overnight, they have discovered a more feasible source than that shown by the report of the board of Army engineers—disinterested parties who hired expert aid and who were appointed and commissioned by the Government to represent neither side, neither the city of San Francisco, nor the water owners of present systems, nor the owners of proposed systems, nor people interested in other sources of supply. The Army engineers were interested in no manner whatever in the case, and after a long and exhaustive study of the subject the board gives the Government its advice to the effect that this is the best and most feasible source of supply and that the city ought to be allowed to avail itself of it.

If the dam is erected and the reservoir created, only 1,400 acres of the basin of Hetch Hetchy Valley will be submerged, so that the project need not be held up before the people of the country as a scarecrow, with a view of frightening them about the destruction of a vast and marvelous asset of this country.

The bill has been recommended by the Interior Department of the Government after careful and painstaking investigation; it has been recommended by the Agricultural Department after an equally careful and painstaking investigation; and it has been recommended by the Legislature of California, which seems to realize that it is better to look to the Federal Government to take steps in this matter rather than requiring San Francisco to rely wholly on State aid for relief in the matter. After all of these years of investigation; after the Government has interested itself in this matter to the extent of causing to be made an independent investigation of its own by disinterested employees of the Government, who are supposed to have no motive whatever for misrepresenting anything in this connection, after all of the preliminary work, all of the expenditure and all of the acquisition of preliminary rights by the city of San Francisco, and after an incontrovertible showing of the need of an increased water supply, why should not this source be granted in so far as it is within the power of the Federal Government to grant it? Why not? Only two objections have been urged that I have heard. One is from a class of people who term themselves "nature lovers," who appear to think the earth and everything in it was made for their especial benefit, in order that they may perpetually regale their vision on the beauties of nature and satisfy their esthetic tastes by gazing upon anything that may suit their fancy, regardless of other uses to which it may be put. The "nature lovers," as they call themselves, object to spoiling this little plot of ground, and would rather have three-quarters of a million people in these communities, yea, would rather have the millions of people who will inhabit those communities in coming generations, go without sufficient water—they would rather have the babes of the community suffering anguish and perishing for want of sufficient water than destroy something that they may go once in many years and gaze upon in order to satisfy their esthetic and exquisite taste for natural beauty. Not one-tenth of 1 per cent of the people of the United States will ever see the beauties of nature there.

The other objection comes from irrigationists in the San Joaquin Valley under the Turlock and Modesto districts and some other districts there which have recently been organized. I will first advert to the objections of the irrigationists, because, as to the first class of objectors, I consider that there is absolutely nothing in their objections; their objections are not worth while; they are not worthy of consideration, and therefore I address myself first to the objections of those who seem to be opposed to the bill on apparently more serious grounds.

In regard to any objection that may come from the Turlock-Modesto irrigation district, the report of the Board of Army Engineers in its conclusion, on page 50, says:

The board further believes that there will be sufficient water if adequately stored and economically used to supply both the reasonable demand of the bay communities and the reasonable needs of the Turlock-Modesto irrigation district for the remainder of this century.

That is the conclusion of the fair and competent men who have investigated the subject, and if we are not to accept their conclusion, why not? On what are we to overthrow that conclusion, drawn from a careful, painstaking, and disinterested investigation by competent men? If those men were not competent to arrive at that conclusion, then whom shall we trust? Shall we trust somebody who springs up overnight and discovers something that months and years of careful and painstaking investigation have not revealed to the most competent men for that class of work in this country?

The bill recognizes—I will not use the word "protects," as some objection is made to that—all vested rights in and to the waters that flow in the river at the present time, and that have

been taken by prior appropriators and put to useful and beneficial purposes. While it is true that it is beyond the power of this measure or of the Government to disturb them, the bill wisely recognizes and sets them forth, so that there can be no contention over the spirit and intent of the bill. It shows plainly that the spirit and intent of the bill is to recognize, without disturbance and without litigation and without contravention or question, all vested rights that heretofore have been acquired in and to the waters of the Tuolumne River. It would, if possible, make them more secure; but if that can not be done, it certainly does not make them less secure.

So far as I have seen there is no manner of spirit or intent or disposition on the part of the promoters of this bill and the people who are interested in it, and who will be its beneficiaries, to question or to disturb one iota of the rights of anybody else who has rights in and to the waters of this river. The only object is to store other waters, that now are doing no good to anybody and have been flowing on to the sea these many thousands of years, and to put them to the most beneficial use of all purposes to which water can be put—the preservation of human life and sanitation of human habitations.

On that topic, the rights of the irrigators of the Turlock-Modesto irrigation district, I shall not be content with reading merely the conclusion of the board of Army engineers, but I shall read briefly some of the reasons and facts on which that conclusion is based. Beginning on page 34, it says:

The area of the existing Turlock-Modesto district is 402 square miles.

The board does not content itself with saying that the people who already are cultivating that quantity of land, 402 square miles, are protected, undisturbed, and unquestioned in their rights, but it goes ahead and takes cognizance of all the land in that section of the country which may be irrigated.

The area of the existing Turlock-Modesto district is 402 square miles. The board estimates that 60 per cent additional could well be added thereto, making a total of 643 square miles. In a recent map issued by the United States Department of Agriculture, in cooperation with the conservation commission of California, the total area of irrigable land in this region is given as about 690 square miles. Therefore 643 square miles of land actually to be irrigated within probable districts would seem liberal. It is not claimed, however, that all possible irrigable land is included in this map. There may be, especially in the foothills, additional land to which water might be well applied.

Based on water being actually supplied to 85 per cent of the 643 square miles—a duty of 2½ feet and losses of 23 per cent—the quantity of water needed is estimated by the board at 1,132,000 acre-feet per year.

The Turlock-Modesto district claims to need for its present district alone 1,042,043 acre-feet. This is stated to be based on 90 per cent of 402 square miles, a duty of 2.75 feet with losses of 39 per cent. These figures are considered extreme and those stated by the board would seem ample.

In the hearing before the Secretary on November 25, much stress was laid on the use of the Tuolumne River water for irrigation at other points of the San Joaquin Valley, especially directly across the San Joaquin River. There has been, as far as known, no exhaustive study made of the irrigable lands of the San Joaquin Valley and the conservation and use of all available water.

The San Joaquin Valley is relatively less well provided with water than the Sacramento Valley, both as to rainfall and as to run-off of rivers. The demands of the valley for complete irrigation are in excess of the water available. At times of low water the San Joaquin above the mouth of the Merced is usually practically dry, all the water being taken for irrigation. Very little storage has been attempted up to the present except for power purposes.

There can be no question but that a large portion, if not all, of the flow of the Tuolumne could be used for irrigation if stored. While the cost of placing the water on the land, especially when necessary to be pumped and carried to long distances, may be more burdensome than the land can at present stand, the increase in value will doubtless in the future warrant such expenditures. It seems quite certain that to irrigate the southern part of the San Joaquin Valley would be less expensive from the Tuolumne than from streams farther north, such as the Stanislaus, Mokelumne, and American. As above stated, no general project has as yet been made for such use of the water of this valley and there are therefore no estimates available.

For the purposes of this report the board, however, assumes the irrigation of the Turlock-Modesto district only, increased as above stated.

The determination of the amount of water flowing in the Tuolumne has been mainly deduced from records at the La Grange Dam, the point of diversion for the Turlock-Modesto district. This was gauged from 1878 to 1884 by the State of California, and by the United States Geological Survey from 1895 to date. Rainfall records at La Grange date from 1878. There are few records for the upper watersheds. The upper Tuolumne has been gauged by the city for only three years. As this is such a short period, the results obtained by applying to other years the same proportion of run-off for upper and low watersheds as is indicated by the three-year record can not be considered conclusive. At the same time this is all the direct evidence available. In order to assist further in the estimation of this important result, the records of the upper and lower Stanislaus, from 1905 to date, have been used for comparison. These records are necessarily incomplete, and therefore to that extent unsatisfactory, but would seem sufficient to arrive at general conclusions. On the calculations made from these records it is estimated that with a storage of 750,000 acre-feet, the necessary 400,000,000 gallons daily can be taken to San Francisco, while usually giving the full reasonable requirements of 640 square miles of the irrigation district.

Not only the 402 square miles now under irrigation, but all the land in the district that probably can be brought under irri-

gation—640 square miles. The board says there will be sufficient water to supply all of it.

Mr. WORKS. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from California?

Mr. MYERS. With pleasure.

Mr. WORKS. I think the Senator should note, in that connection, that although an additional acreage of land was brought in the amount of water was not increased.

Mr. MYERS. Certainly; but the board claims, after careful investigation, that additional land to the extent of 640 square miles may be taken up and still there will be impounded a sufficient quantity of water for San Francisco and the neighboring cities and all the cultivators of this land.

Mr. GRONNA. Mr. President—

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from North Dakota?

Mr. MYERS. With pleasure.

Mr. GRONNA. The Senator from Montana has been interrupted so much that it is with some hesitancy that I interrupt him.

Mr. MYERS. I am glad to yield to the Senator.

Mr. GRONNA. I am quite sure the Senate Committee on Public Lands wants to do justice to all the people of California before this bill is passed.

Mr. MYERS. Certainly.

Mr. GRONNA. Referring to the provision on page 13 of the bill, under section 9, subsection (b), the provisions of the bill do recognize the rights of the water users in the districts of Turlock and Modesto. I wish, however, to ask the Senator from Montana, who has given this bill very careful study, if there is not a limitation placed upon the use of the water on page 18 of the bill, under subsection (j). Speaking about the flow of the water, it says:

That by "the flow," "natural daily flow," "aggregate daily natural flow," and "what is naturally flowing," as are used herein, is meant such flow as on any given day would flow in the Tuolumne River or its tributaries if said grantee had no storage or diversion works on the said Tuolumne watershed.

Does not that mean that the water users in these irrigation districts may have the amount of water that is the natural flow of the Tuolumne River, but that they will be deprived of any of the storage waters in Lake Eleanor or in Lake Cherry?

Mr. MYERS. Oh, I do not think so. I do not think there is any room for that construction. The terms in paragraph (j), on page 18, are mere definitions. On page 15, in subdivision (d), it is clearly stated that the irrigation districts have rights in impounded waters after the needs of San Francisco are supplied to a certain extent. I regard what is found on page 18 as mere definition, not in any wise contradictory of what appears on page 15. The two must be read together. Section (d), on page 15, is clearly placed where it is for the purpose of providing that after San Francisco's needs for a certain amount are supplied the surplus of the stored and impounded water belongs to the irrigationists and others who are entitled to it under the laws of California. I do not think there is any doubt about that.

Mr. GRONNA. Is not the provision on page 18, under subsection (j), really a limitation upon the impounded waters?

Mr. MYERS. I do not think so at all. I think it is a mere matter of definition, and does not apply to what is said in subdivision (d), on page 15. It clearly refers to another thing altogether, namely, to stored and impounded waters. That is my conception of the matter. I do not think there is any room for difference of opinion about it.

I was about to finish my quotation from the report of the Board of Army Engineers. I stopped simply to draw attention to the fact that they make provision for 640 square miles of irrigated land in this district, which is about 50 per cent more than is now under irrigation; and in their opinion the waters may be provided therefor and at the same time for the actual needs of San Francisco.

Resuming there, I read:

Of this 750,000 acre-foot storage, about 560,000 acre-feet would be necessary for the city to obtain 400,000,000 gallons daily and the remainder for irrigation. Some years the water supply for irrigation would have been short, as for example in 1898, 40 per cent; in 1908, 14 per cent; and in 1912, 14 per cent. With a storage capacity of 900,000 acre-feet there would have been sufficient water for irrigation, except in 1898. For the latter year a storage capacity of 1,400,000 acre-feet would have been required and would be practically impossible to obtain economically.

I read that in full to show why the Board of Army Engineers draws the conclusion that in all reasonable probability there will be at all times sufficient water stored and impounded in this reservoir for the use of San Francisco and adjacent cities, and

also for irrigation in these districts. Of course, as is stated here, once in a long time there might be a year when there would be a little shortage for one or the other; but we have dry years everywhere all over the country. We are all more or less affected by the amount of rainfall, even in the semiarid sections of the country, and absolute precision may not be had in these matters. It is clearly the opinion of the board, however, that a sufficient amount of water may be impounded for both purposes; and the city is to supply this surplus water at cost to the people who are entitled to it.

Who will doubt that the city of San Francisco, under a gigantic plan and expenditure such as this bill contemplates, can store and impound these waters and provide them for parched lands cheaper and at less cost than may be done by individual efforts or by the irrigationists themselves?

I think it admits of no difference of opinion or controversy that on a wholesale plan, on a large scale, such as we have provided here, the irrigationists will get water cheaper and at less cost than if each individual or each association of individuals in a district were to go to work and try to store the waters and put them on their lands themselves, by individual effort or by the efforts of a small association of people.

I believe the irrigationists will be benefited by that provision. I believe the irrigationists will be benefited by this project if carried to its conclusion. I believe it will mean money to them, money in their pockets, as well as water to the people of San Francisco.

The matter of electrical power, of which some mention has been made, is an item in this bill that I think should not be overlooked. The reports show that a vast amount of electrical power may be developed by the city of San Francisco and those interested in this bill and applied to beneficial uses in many lines. It is a matter that ought not to be overlooked. The production of electrical power is being encouraged everywhere. The Government is encouraging in every way the production of electrical power, because it is recognized by everybody as one of the greatest agencies and instrumentalities for the benefit of mankind which has been brought to bear upon human affairs for many ages.

I believe that a fair reading and consideration of all these documents and the reports of these boards of investigation shows that this is the proper source of supply for these people for the future, in order to give them an adequate water supply for their use. I believe there is no manner of doubt that there is no other system that is in any wise to be compared to it, and that the irrigationists interested will be cared for. Yet even if there are lands vacant in that section of the country which are not now tilled or cultivated, and which are not settled upon or put to beneficial uses, for which the owners, if they are privately owned, have not appropriated water and put the water to use on the land, even though there be some land that will go dry as a result of carrying this project to materialization, who is there who will claim that the putting of water on land is of higher use or benefit to mankind than the sustenance of life itself and giving people plenty of water for drinking and cooking and household and municipal purposes?

The preservation of life itself must be the first consideration, and even if there is some land that may go dry, which I do not concede, if the people of San Francisco and adjacent communities are furnished with sufficient water, supplied from this source, I do not believe that the cultivation of land and the creation of wealth as a result thereof ought to be compared in the same breath with the preservation of human life and the sanitation of dwellings for people. I do not believe that they are in the same class or that there should be any conflict between the two.

I believe the people of San Francisco have a right to appropriate this water and a right to have facilities granted therefor by the Government, and that it is a higher and superior right to the mere cultivation of land, which merely puts more dollars in the pockets of somebody, which produces more wealth, and which puts wealth in this matter as against the preservation of human life.

Are we to put wealth in this country against furnishing men, women, and children with sufficient water for drinking and cooking purposes and for the preservation of human life? I believe the Government owes it to its citizens to see that they shall have, so far as it is within its power, the facilities for the preservation of human life, and then let them acquire wealth by the cultivation of land, leaving the acquisition of wealth to come afterwards.

I believe that the Committees on Public Lands of the House and Senate heard all sides of this matter. All these various and conflicting contentions were laid before those committees.

There has been nothing new, so far as I can learn, that has come out since the hearings were had; and when those committees, after hearing all that has been said on the subject, reported in favor of the passage of this bill, I believe that it is entitled to some weight as against the protests of people who come in here at the last moment with something grand and new that has been wholly overlooked by everybody who has heretofore investigated this subject. I know of nothing new that affects my opinion that I acquired when this matter was considered by the Senate Committee on Public Lands. I believe the Senate committee had facilities for hearing all that was worth while on the subject, and when it decided to recommend the bill favorably I believe it did so advisedly and wisely and in the interests of humanity.

In regard to the chimerical objection of people who call themselves nature lovers, I can not see anything in their contention to appeal to reason or a sense of justice or humanity. Their contention that these waters if impounded would no longer gurgle on to the sea and make beautiful soothing sounds which might be listened to by a few hundred campers who go once in many years to that section of the country, and that for the benefit of people who love that brand of beauty—a mere handful, a few hundred, one-tenth of 1 per cent, perhaps, of the population of the United States—this water must be allowed to run on to the Pacific Ocean and be put to no beneficial or useful purpose is, to my mind, too absurd to merit any discussion.

These people seem to think themselves the direct agents of God Almighty to tell us what is best for us in the preservation of our resources, and they would put the aesthetic above the useful. As far as I am concerned I am a utilitarian and not an idealist. I believe that the earth and everything in it was put under the dominion of mankind for some useful purpose, that it was intended to be put to some use for the daily wants of mankind, and whatever is the most useful purpose so far as it is in our power to consent, I think is the purpose to which all the resources of this country ought to be put. I believe in the doctrine of the greatest good to the greatest number, and the impounding of this water and feeding the famishing and perishing people of San Francisco and adjoining communities with it and giving them sustenance and life and courage will do more good than to let these waters run to the sea for future ages and thousands of years in order that the birds may sing there and the waters may murmur and that a few aesthetic individuals may go there once in many years and be regaled with these delights. I think the water ought to be put to the purpose which does the greatest good to the greatest number.

These people seem to think that it is a mighty outrage that water which was put on the earth by the Almighty for the benefit of mankind is actually to be put in the stomachs of people. They seem to think it is an outrage that water is to be put in use so that it may be drunk by people to preserve life. They would have us believe that that is one of the greatest outrages of the age, but I do not believe that those arguments for one second will appeal to anyone in this body.

I believe we all recognize the principle of the greatest good to the greatest number, and we all realize that the people of this country are entitled to have the affairs of this country administered upon the principle that the resources of this country were given to us in trust by the Creator and ought to be so handled and disposed of and administered as to give the greatest good to the greatest number.

I think there has been a great deal of misrepresentation in this matter, not only of motive but of fact. Some of the nature lovers claim that the beauties of the Hetch Hetchy Valley would be utterly destroyed by making a lake in the basin of that valley. I believe that a reading of the reports of the investigations will convince any fair-minded and reasonable person that the beauties of that valley will be enhanced by putting a beautiful lake in the basin of that valley. The lake can in nowise disturb the granite walls of that basin nor the waterfalls which are referred to as one of the chief beauties of that spot. I believe that making a lake there will make it more beautiful; and the only thing the lake will do otherwise than to enhance the beauties will be to prevent the use of the basin for camping purposes. The report of the investigation shows that it is very little used for camping purposes and that there are many other places that offer fully as good facilities in that section for campers.

I believe when this reservoir is constructed and filled with pure water it will make one of the grandest spots in the United States, not only grand in beauty and sublimity, but grand in the uses which it will serve to mankind and the people of that section of the country.

There are many things that the people of San Francisco are to do in return for these concessions, if granted. They are to spend hundreds of thousands of dollars in constructing roads in this park and in that section of the country in order that visitors and campers who visit there to enjoy the beauties of nature, and who are seeking recreation and health, may have better facilities for getting around and viewing these beauties of nature of which we hear so much. For the first 10 years San Francisco is to spend \$15,000 per year, for the next succeeding 10 years \$20,000 per year, and forever thereafter until relieved by Congress the sum of \$30,000 per year in roads and improvements in that section of the country. I believe that those expenditures will take a section of the country which is now resorted to with comparative infrequency and convert it into and make it one of the most attractive and best patronized resorts for health and beauty and recreation to be found in this whole country. I believe that with the facilities it will open for the enjoyment of the beauties of nature, that rare spot of attraction will draw more people to that beauty spot in each and every year when so improved than would go to it in 50 years as it is now, in its raw and unimproved and almost inaccessible condition. I believe this beauty spot of nature, instead of being destroyed or marred or injured, will be made one of the most beautiful and useful spots for health and recreation and beauty to be found in the whole United States.

The people of San Francisco, after offering to comply with all these requirements, will confer what I believe to be an equal benefit upon the Government of the United States to the benefits that they will receive, and they ask that they be granted this privilege. I believe it is the duty of our Government, so far as in its power lies, to meet every reasonable want of its citizens. Its citizens are children of this country, and they are expected in times of war and distress to give to this Government not only their services and their property, but their life's blood.

The people of the city of San Francisco have been a suffering people. They have had the hand of calamity laid heavily upon them. Their fair city has been devastated by earthquake and fire, and it is reported on credible authority that one of the greatest causes of the devastation of that fair city by fire after the earthquake of 1906 was the lack of an adequate water supply—the very thing that they are seeking to get to-day at a cost of millions of dollars to the taxpayers. If we can aid them in any way, I believe it is the duty of this Government to grant them every facility and privilege that is within its power in order to achieve that worthy object.

The people of San Francisco and vicinity have shown themselves to be a brave and courageous people. They have risen in their might when the visitations of calamity have been laid upon them to an extent rarely equaled in the history of the civilized world outside of warfare. They have built a better city, a greater city, than before the hand of calamity was laid upon them so distressingly. They appeal to us not only in a most laudable undertaking, but in one which is an absolute necessity for the preservation of the lives of that great and courageous and deserving citizenship, and I am, for one, in favor of doing whatever may be legitimately and lawfully and constitutionally done under the powers of the Government to grant them their demands. I would rather give them a cup of cold water to drink, if in my power, than to take them out and show them all the beauties of all the landscapes of the country. I believe it would do them more good and would be more in accord with the dictates of humanity. I do not think they should come here and ask for water to drink and have to go away and say that we denied them. Water is one of the greatest gifts of God to mankind. I believe this is one of the simplest requests that can be made, and let it not be said that they asked us for water and we gave them a stone.

I am heartily in favor of this bill. I see no valid or insurmountable objection to its passage. It has passed the House of Representatives. The emergency, the urgency, and the distress are dire, and I hope that after going this far those people will not be turned away by this body when almost within the goal of what they desire.

Mr. WORKS. Mr. President, I gave notice that I would address the Senate upon this bill upon Thursday. I desire now to withdraw that notice and to give notice that I will address the Senate to-morrow, immediately after the morning business, in order that we may expedite this measure as rapidly as we can.

The VICE PRESIDENT. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. SMOOT. I should like to ask the Senator from Indiana whether he intends to have a night session; and if so, how soon he would desire the Senate to take a recess?

Mr. KERN. The purpose is that at 6 o'clock we will take a recess until 8 o'clock.

Mr. SMOOT. I do not know whether there is any other Senator who desires to proceed with the pending bill at this time, as it is now only 40 minutes before 6 o'clock.

Mr. OWEN. Mr. President, if there is no Senator prepared to discuss the Hetch Hetchy bill now, I would suggest that it might be laid aside, so that we may take up the banking and currency bill.

Mr. GALLINGER. I make the point that there is no quorum present, if I may be permitted to do so.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hughes	Perkins	Smoot
Bacon	James	Pittman	Sterling
Bankhead	Johnson	Poinceter	Stone
Borah	Kenyon	Pomerene	Swanson
Brady	Kern	Ransdell	Thomas
Bryan	La Follette	Reed	Thompson
Chamberlain	Lane	Robinson	Thornton
Chilton	Lewis	Saulsbury	Tillman
Clapp	Martin, Va.	Shafroth	Vardaman
Clarke, Ark.	Martine, N. J.	Sheppard	Walsh
Cole	Myers	Sherman	Warren
Cummins	Newlands	Shields	Weeks
Dillingham	Norris	Shively	Williams
Gallinger	O'Gorman	Simmons	Works
Gore	Overman	Smith, Ariz.	
Gronna	Owen	Smith, Ga.	
Hollis	Page	Smith, S. C.	

Mr. GALLINGER. The Senator from Kansas [Mr. BRISTOW] has gone to his home on account of illness.

Mr. BRYAN. My colleague [Mr. FLETCHER] is unavoidably absent from the Senate Chamber. He is paired with the Senator from Wyoming [Mr. WARREN].

The VICE PRESIDENT. Sixty-five Senators have answered to the roll call. There is a quorum present. The bill is in the Senate and open to amendment.

Mr. WORKS. Mr. President, I suppose a vote will not be insisted upon on the Hetch Hetchy bill to-day. There have been at least two notices given of the intention of Senators to speak upon the bill. I have advanced my time of speaking in order to expedite the discussion of the bill, but I shall not be able to go on to-night. I have to gather together some documents to be used for that purpose. I think the Senate realizes that this is a very important question as affecting the State of California, and it ought not to be forced to a vote without ample time to discuss it.

Mr. WILLIAMS. Discuss it now.

Mr. WORKS. Of course, if the Senate insists upon it, speeches can be made here to take up the time, but that would be useless. I therefore ask that the matter may be delayed until to-morrow morning, so that the discussion may proceed in an orderly way.

Mr. PITTMAN. Mr. President, having the bill in charge by direction of the chairman of the committee, I will state that it is not the intention to force it to a vote at all, and that we are perfectly willing to consent that the bill be temporarily laid aside until to-morrow morning.

Mr. WILLIAMS. Mr. President, if the bill is temporarily laid aside to-night, then I suppose it would be in order to bring up the banking and currency bill and go on with its consideration.

Mr. OWEN. I would make that motion if the pending bill were laid aside.

Mr. WILLIAMS. Unless that were understood, I should object to the request.

Mr. PITTMAN. I understood the bill was to be temporarily laid aside by reason of the notice given by the Senator from California [Mr. WORKS] that he would address the Senate on the bill to-morrow morning and that there is no other Senator who desires to address himself to the bill at the present time; and there being no other, the Senator in charge of the currency bill desires to proceed with the consideration of it at this time.

Mr. GALLINGER. Mr. President, the reading of the unanimous-consent agreement will develop the fact that the Senate has agreed to vote upon the Hetch Hetchy bill next Saturday; so I think no Senator need be apprehensive that a vote will be forced before that time. It can not be done.

BANKING AND CURRENCY.

Mr. OWEN. I move that the Senate proceed to the consideration of House bill 7837.

The VICE PRESIDENT. The Chair understands that, by unanimous consent, House bill 7207, being the Hetch Hetchy bill, is temporarily laid aside. The Senator from Oklahoma moves that the Senate proceed to the consideration of House bill 7837.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, for furnishing an elastic currency, affording means of rediscounting commercial paper, and to establish a more effective supervision of banking in the United States, and for other purposes.

Mr. OWEN. I ask for the reading of the bill.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary proceeded to read the bill.

Mr. WARREN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Wyoming will state his parliamentary inquiry.

Mr. WARREN. I wish to ask if the bill which is now being read is the one which appears on the desks of Senators as an amendment?

The VICE PRESIDENT. It is not. It is the House bill reported by the Senator from Oklahoma without amendment.

Mr. OWEN. It is the House bill which is being read.

Mr. WARREN. Then, may I ask, Does the amendment cover what is proposed to take the place of the House bill?

Mr. OWEN. It is not an amendment at all; it is simply the House bill which is being read now for the first time at length. An amendment will be proposed to the bill after it has been read.

Mr. WARREN. What I want to know is this: I was told that the amendment on our desks in some fifty-odd pages contained all of the matter that was in the original House bill that has been adopted by the committee having it in charge, or, I might say, by the caucus.

Mr. OWEN. There is a print including the House bill as proposed to be amended; but I thought it was in better order to have the House bill first read.

Mr. WARREN. It will contain some matters not contained in the amended print?

Mr. OWEN. Yes.

The VICE PRESIDENT. The Secretary will proceed with the reading of the bill.

The Secretary resumed the reading of the bill.

Mr. KERN. I ask that the reading be suspended while I make a motion. I move that when the hour of 6 o'clock shall have arrived the Senate take a recess until 8 o'clock to-night.

Mr. PENROSE. On that motion I call for the yeas and nays. The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. WARREN (when his name was called). I announce my pair with the senior Senator from Florida [Mr. FLETCHER].

The roll call was concluded.

Mr. KERN (after having voted in the affirmative). On account of my pair with the Senator from Kentucky [Mr. BRADLEY], I withdraw my vote.

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In view of his absence, I withhold my vote.

Mr. CHILTON. I have a general pair with the junior Senator from Maryland [Mr. JACKSON]. In his absence I withhold my vote, unless it be necessary to make a quorum.

Mr. SMOOT. I desire to announce that the senior Senator from Kansas [Mr. BRISTOW] is unavoidably detained from the Chamber.

Mr. STONE (after having voted in the affirmative). I should like to inquire whether the Senator from Wyoming [Mr. CLARK] has voted?

The VICE PRESIDENT. The Chair is informed that he has not.

Mr. STONE. Having a general pair with that Senator, I withdraw my vote.

Mr. MYERS (after having voted in the affirmative). I ask if the Senator from Connecticut [Mr. MCLEAN] has voted?

The VICE PRESIDENT. The Chair is informed that he has not.

Mr. MYERS. As I have a pair with that Senator, I withdraw my vote.

Mr. SMITH of Arizona (after having voted in the affirmative). In view of what has been said regarding pairs, and in view of the provisions of the pair I have with the Senator from New Mexico [Mr. FALL], I feel that under that pair I ought to withdraw my vote.

Mr. CLARKE of Arkansas (after having voted in the affirmative). I did not hear read the name of the junior Senator from Utah [Mr. SUTHERLAND] among those who voted.

The VICE PRESIDENT. The Senator from Utah, as the Chair is informed, has not voted.

Mr. CLARKE of Arkansas. Then I withdraw my vote, as I have a standing pair with that Senator.

The result was announced—yeas 53, nays 5, as follows:

YEAS—53.

Ashurst	La Follette	Ransdell	Swanson
Bacon	Lane	Reed	Thomas
Bankhead	Lewis	Robinson	Thompson
Borah	Martin, Va.	Saulsbury	Thornton
Brady	Martine, N. J.	Shafroth	Tillman
Bryan	Newlands	Sheppard	Townsend
Clapp	Norris	Sherman	Vardaman
Colt	O'Gorman	Shields	Walsh
Gore	Overman	Shively	Weeks
Hollis	Owen	Simmons	Williams
Hughes	Perkins	Smith, Ga.	Works
James	Pittman	Smith, S. C.	
Johnson	Poinexter	Smoot	
Kenyon	Pomerene	Sterling	

NAYS—5.

Cummins	Gronna	Page	Penrose
Gallinger			

NOT VOTING—37.

Bradley	Crawford	Kern	Smith, Ariz.
Brandeggee	Culberson	Lea	Smith, Md.
Bristow	Dillingham	Lippitt	Smith, Mich.
Burleigh	du Pont	Lodge	Stephenson
Burton	Fall	McCumber	Stone
Catron	Fletcher	McLean	Sutherland
Chamberlain	Goff	Myers	Warren
Chilton	Hitchcock	Nelson	
Clark, Wyo.	Jackson	Oliver	
Clarke, Ark.	Jones	Root	

So Mr. KERN's motion was agreed to.

Mr. GALLINGER. Mr. President, I believe the Secretary was reading the bill.

The VICE PRESIDENT. Yes.

The reading of the bill was resumed, beginning with section 3, page 4, line 2, and continued to the end of section 7, on page 13.

RECESS.

The VICE PRESIDENT. The hour of 6 o'clock having arrived, the Senate takes a recess until 8 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

BANKING AND CURRENCY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, for furnishing an elastic currency, affording means of rediscounting commercial paper, and to establish a more effective supervision of banking in the United States, and for other purposes.

Mr. SMOOT. Mr. President, I dislike to call for a quorum of the Senate, but this morning when the Senate met there were only eight Senators in the Chamber, and I notice but two Senators on the majority side of the Chamber now. I suggest the absence of a quorum.

The VICE PRESIDENT. The Chair thinks the suggestion is eminently appropriate. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bacon	Gallinger	Nelson	Sheppard
Bankhead	Goff	O'Gorman	Shively
Borah	Kenyon	Overman	Smith, Ariz.
Brady	Kern	Owen	Smith, Ga.
Bryan	Lane	Page	Smoot
Chilton	Martin, Va.	Pomerene	Thomas
Clark, Wyo.	Martine, N. J.	Reed	Tillman
Clarke, Ark.	Myers	Robinson	Townsend

The VICE PRESIDENT. Thirty-two Senators have answered to the roll call. There is not a quorum present.

Mr. KERN. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

Mr. SMOOT. The first thing to be done is to call the names of the absentees.

Mr. KERN. Very well.

The VICE PRESIDENT. The Secretary will call the names of absent Senators.

The Secretary called the names of absent Senators, and Mr. HUGHES, Mr. SIMMONS, Mr. SMITH of South Carolina, Mr. STERLING, Mr. STONE, Mr. SWANSON, Mr. THOMPSON, Mr. THORNTON, Mr. VARDAMAN, and Mr. WALSH answered to their names when called.

Mr. CLAPP, Mr. LEWIS, Mr. JOHNSON, Mr. WEEKS, Mr. SAULSBURY, Mr. HOLLIS, Mr. ASHURST, Mr. COLT, and Mr. SHAFROTH entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty-one Senators have answered to the roll call. There is a quorum present. The Secretary will proceed with the reading of the bill.

The Secretary resumed the reading of the bill at section 8, on page 13, and concluded the reading.

Mr. OWEN. Mr. President, I offer an amendment, and ask that it be read to the Senate.

Mr. WEEKS. I should like to ask the Senator from Oklahoma which bill he is offering as an amendment—the one that is printed in parallel columns or the last print?

Mr. OWEN. It is the last print, the one of December 1, printed this morning. It is the print which appeared in parallel columns, with some few changes made, a copy of which is on the desks of Senators.

Mr. WEEKS. May I inquire of the Senator from Oklahoma what his purpose is in regard to the substitute?

Mr. OWEN. Merely to have the amendment read, after which I shall not ask to detain the Senate further to-night.

Mr. WEEKS. I should like to make a parliamentary inquiry. If the substitute is read as an amendment, and then the Senate adjourns, will it leave the original bill, the House bill, open to amendment, using the changes contained in what is known as the Hitchcock amendment?

Mr. OWEN. Either one or the other will be in order, as I understand the parliamentary rule, either to propose amendments to the House bill or to propose amendments to the amendment which I offer.

Mr. WEEKS. If that is the shape in which the matter is to be left, I have no objection that the reading shall proceed.

Mr. OWEN. That is my understanding of the parliamentary status.

Mr. GALLINGER. Am I correct in assuming that the Senator from Oklahoma proposes to move this as a substitute for the bill that has been read?

Mr. OWEN. Yes.

Mr. GALLINGER. Abandoning the bill or substitute that was reported some days ago from the section of the committee of which the Senator from Oklahoma is chairman?

Mr. OWEN. It is practically the same, with a few minor changes.

Mr. GALLINGER. This, then, will take the place of the House bill for consideration?

Mr. OWEN. Yes. It is practically the House bill, with the amendments proposed by the section of the committee with which I am associated.

Mr. GALLINGER. Then it will be proper for any Senator to offer an amendment either to the substitute bill or to the original House bill?

Mr. OWEN. That is my understanding of the parliamentary status.

Mr. GALLINGER. Yes; that is correct.

Mr. SMOOT. Mr. President, I should like to ask the Senator from Oklahoma whether he has had printed the House bill showing the amendments to it according to the print that was reported this morning?

Mr. OWEN. Such a print has been ordered, but it has not yet been made. I should like to ask unanimous consent to have printed 20,000 copies of each of these bills, in order that we may supply the country. There is a very large demand from bankers to know just what the bills are.

Mr. SMOOT. Does the Senator mean 20,000—

Mr. OWEN. Twenty thousand of each of these prints.

Mr. SMOOT. Twenty thousand copies of the print that is now lying upon the table?

Mr. OWEN. The print that the Senator has in his hand, the one that does not show the parts of the House bill struck out, and the same showing where changes are made in the House bill.

Mr. SMOOT. I do not think it is necessary to have both of them printed, but I do think we ought to have one or the other of them. I believe a print of the House bill with the proposed amendments, showing where the text is stricken out, would be far better, not only for the Senate but for the country.

Mr. OWEN. I ask that 20,000 copies be printed.

Mr. SMOOT. Very well.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The order as agreed to was reduced to writing, as follows:

Ordered, That there be printed 20,000 copies of the House print of H. R. 7837, to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes, showing the amendment thereto as proposed by the substitute offered by Mr. OWEN December 1, 1913.

Mr. NELSON. Mr. President, I should like to inquire what it is that is proposed to be read?

Mr. OWEN. The amendment which I offer.

Mr. NELSON. Does the Senator offer as a substitute for the G. H. bill the entire bill that he reported?

Mr. OWEN. I offer that as a substitute, and after it has been read either the House bill or this proposed substitute will be open to amendment, as I understand the parliamentary status.

Mr. NELSON. The Senator proposes that this amendment shall be read to-night?

Mr. OWEN. Yes.

Mr. NELSON. After it has been read, then what, to-night?

Mr. OWEN. If no Senator desires to address the Senate, I shall then move that the Senate adjourn.

Mr. NELSON. Very well.

The VICE PRESIDENT. The Secretary will read the amendment proposed by the Senator from Oklahoma.

The SECRETARY. It is proposed to strike out all after the enacting clause and to insert:

That the short title of this act shall be the "Federal reserve act."

Wherever the word "bank" is used in this act, the word shall be held to include State bank, banking association, and trust company, except where national banks or Federal reserve banks are specifically referred to.

The terms "national bank" and "national banking association" used in this act shall be held to be synonymous and interchangeable. The term "member bank" shall be held to mean any national bank, State bank, or bank or trust company which has become a member of one of the reserve banks created by this act. The term "board" shall be held to mean Federal reserve board; the term "district" shall be held to mean Federal reserve district; the term "reserve bank" shall be held to mean Federal reserve bank.

FEDERAL RESERVE DISTRICTS.

SEC. 2. As soon as practicable the Secretary of the Treasury and not less than two other members of the Federal reserve board hereinafter provided for, to be assigned by the President, acting as "the reserve bank organization committee," shall designate not less than 8 nor more than 12 cities to be known as Federal reserve cities, and shall divide the continental United States, including Alaska, into districts, each district to contain one, and only one, of such Federal reserve cities. The determination of said organization committee shall not be subject to review except by the Federal reserve board when organized: *Provided*, That the districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States. The districts thus created may be readjusted and new districts may from time to time be created by the Federal reserve board, not to exceed 12 in all. Such districts shall be known as Federal reserve districts and may be designated by number. A majority of the organization committee shall constitute a quorum, with authority to act.

Said organization committee shall be authorized to employ counsel and expert aid, to take testimony, to send for persons and papers, to administer oaths, and to make such investigation as may be deemed necessary by the said committee in determining the reserve districts and in determining the cities within such districts where such Federal reserve banks shall be severally located. The said committee shall supervise the organization, in each of the cities designated, of a Federal reserve bank, which shall include in its title the name of the city in which it is situated, as "Federal Reserve Bank of Chicago."

Under regulations to be prescribed by the organization committee, every national banking association in the United States, including the trust companies engaged in commercial banking within the District of Columbia, is hereby required, and every eligible bank is hereby authorized, to signify in writing, within 60 days after the passage of this act, its acceptance of the terms and provisions hereof. When a Federal reserve bank shall have been organized, every national banking association within that district shall be required and every eligible bank may be permitted to subscribe to the capital stock thereof in a sum equal to 6 per cent of the paid-up capital stock and surplus of such bank, one-sixth of the subscription to be payable on call of the organization committee or of the Federal reserve board, one-sixth within three months, and one-sixth within six months thereafter, and the remainder of the subscription, or any part thereof, shall be subject to call when deemed necessary by the Federal reserve board, said payments to be in gold or gold certificates.

The shareholders of every Federal reserve bank shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such bank to the extent of the amount of their subscriptions to such stock at the par value thereof in addition to the amount subscribed, whether such subscriptions have been paid up in whole or in part, under the provisions of this act.

Any national bank failing to signify its acceptance of the terms of this act within the 60 days aforesaid shall cease to act as a reserve agent, upon 30 days' notice, to be given within the discretion of the said organization committee or of the Federal reserve board.

Should any national banking association in the United States or trust company engaged in commercial banking in the District of Columbia now organized fail, within one year after the passage of this act, to become a member bank under the provisions hereinafter stated, or fail to comply with any of the provisions of this act applicable thereto, all of the rights, privileges, and franchises of such association granted to it under the national bank act, or under the provisions of this act, shall within the discretion of the Federal reserve board be thereby forfeited. Any noncompliance with or violation of this act shall, however, be determined and adjudged by any court of the United States of competent jurisdiction in a suit brought for that purpose in the district or territory in which such bank is located, under direction of the Federal reserve board, by the Comptroller of the Currency in his own name before the association shall be declared dissolved. In cases of such noncompliance or violation, other than the failure to become a member bank under the provisions of this act, every director who participated in or assented to the same shall be held liable in his personal or individual capacity for all damages which said bank, its shareholders, or any other person shall have sustained in consequence of such violation.

Such dissolution shall not take away or impair any remedy against such corporation, its stockholders or officers, for any liability or penalty which shall have been previously incurred.

Should the subscriptions by banks to the stock of said Federal reserve banks or any one or more of them be, in the judgment of the organization committee, insufficient to provide the amount of capital

required therefor, then and in that event the said organization committee may, under conditions and regulations to be prescribed by it, offer to public subscription at par such an amount of stock in said Federal reserve banks, or any one or more of them, as said committee shall determine, subject to the same conditions as to payment in and stock liability as provided for member banks.

No individual, copartnership, or corporation other than a member bank of its district shall be permitted to subscribe for or to hold at any time more than \$10,000 par value of stock in any Federal reserve bank. Such stock shall be known as public stock and may be transferred on the books of the Federal reserve bank by the chairman of the board of directors of such bank.

Should the total subscriptions by banks and the public to the stock of said Federal reserve banks, or any one or more of them, be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in that event the said organization committee shall allot to the United States such an amount of said stock as said committee shall determine. Said United States stock shall be paid for at par out of any money in the Treasury not otherwise appropriated, and shall be held by the Secretary of the Treasury and disposed of for the benefit of the United States in such manner, at such times, and at such price, not less than par, as the Secretary of the Treasury shall determine.

Stock not held by member banks shall not be entitled to voting power in the hands of its holders, but the voting power thereon shall be vested in and be exercised solely by the class C directors of the Federal reserve bank in which said stock may be held, and who shall be designated as "voting trustees." The voting power on said public stock shall be limited to one vote for each \$15,000 par value thereof, fractional amounts not to be considered. The voting trustees shall exercise the same powers as member banks in voting for class A and class B directors.

The Federal reserve board is hereby empowered to adopt and promulgate rules and regulations governing the transfers of said stock and the exercise of the voting power thereon.

No Federal reserve bank shall commence business with a subscribed capital less in amount than \$3,000,000. The organization of reserve districts and Federal reserve cities shall not be construed as changing the present status of reserve cities and central reserve cities, except in so far as this act changes the amount of reserves that may be carried with approved reserve agents located therein. The organization committee shall have power to appoint such assistants and incur such expenses in carrying out the provisions of this act as it shall deem necessary, and such expenses shall be payable by the Treasurer of the United States upon voucher approved by the Secretary of the Treasury, and the sum of \$100,000, or so much thereof as may be necessary, is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, for the payment of such expenses.

BRANCH OFFICES.

SEC. 3. Each Federal reserve bank shall establish branch offices within the Federal reserve district in which it is located and also in the district of any Federal reserve bank which may have been suspended, such branches to be established and conducted at places and under regulations approved by the Federal reserve board.

FEDERAL RESERVE BANKS.

SEC. 4. When the organization committee shall have established Federal reserve districts as provided in section 2 of this act, a certificate shall be filed with the Comptroller of the Currency showing the geographical limits of such districts and the Federal reserve city designated in each of such districts. The Comptroller of the Currency shall thereupon cause to be forwarded to each national bank located in each district, and to such other banks declared to be eligible by the organization committee which may apply therefor, an application blank in form to be approved by the organization committee, which blank shall contain a resolution to be adopted by the board of directors of each bank executing such application, authorizing a subscription to the capital stock of the Federal reserve bank organizing in that district in accordance with the provisions of this act.

When the minimum amount of capital stock prescribed by this act for the organization of any Federal reserve bank shall have been subscribed and allotted the organization committee shall designate any five banks of those whose applications have been received to execute a certificate of organization, and thereupon the banks so designated shall, under their seals, make an organization certificate which shall specifically state the name of such Federal reserve bank, the territorial extent of the district over which the operations of such Federal reserve bank are to be carried on, the city and State in which said bank is to be located, the amount of capital stock and the number of shares into which the same is divided, the name and place of doing business of each bank executing such certificate, and of all banks which have subscribed to the capital stock of such Federal reserve bank and the number of shares subscribed by each, and the fact that the certificate is made to enable those banks executing same, and all banks which have subscribed or may thereafter subscribe to the capital stock of such Federal reserve bank, to avail themselves of the advantages of this act.

The said organization certificate shall be acknowledged before a judge of some court of record or notary public; and shall be, together with the acknowledgment thereof, authenticated by the seal of such court or notary, transmitted to the Comptroller of the Currency, who shall file, record, and carefully preserve the same in his office.

Upon the filing of such certificate with the Comptroller of the Currency as aforesaid, the said Federal reserve bank shall become a body corporate and as such, and in the name designated in such organization certificate, shall have power—

First. To adopt and use a corporate seal.

Second. To have succession for a period of 20 years from its organization unless it is sooner dissolved by an act of Congress, or unless its franchise becomes forfeited by some violation of law.

Third. To make contracts.

Fourth. To sue and be sued, complain and defend, in any court of law or equity.

Fifth. To appoint by its board of directors, elected as hereinafter provided, such officers as are not otherwise provided for in this act, to define their duties, require bonds of them and fix the penalty thereof, to dismiss such officers or any of them as may be appointed by them at pleasure, and to appoint others to fill their places.

Sixth. To prescribe by its board of directors by-laws not inconsistent with law, regulating the manner in which its general business may be conducted, and the privileges granted to it by law may be exercised and enjoyed.

Seventh. To exercise by its board of directors, or duly authorized officers or agents, all powers specifically granted by the provisions of this act and such incidental powers as shall be necessary to carry on the business of banking within the limitations prescribed by this act.

Eighth. Upon deposit with the Treasurer of the United States of any bonds of the United States in the manner provided by existing law relating to national banks, to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited, such notes to be issued under the same conditions and provisions of law which relate to the issue of circulating notes of national banks secured by bonds of the United States bearing the circulating privilege.

But no Federal reserve bank shall transact any business except such as is incidental and necessarily preliminary to its organization until it has been authorized by the Comptroller of the Currency to commence business under the provisions of this act.

Every Federal reserve bank shall be conducted under the supervision and control of a board of directors.

The board of directors shall perform the duties usually appertaining to the office of directors of banking associations and all such duties as are prescribed by law.

Said board shall administer the affairs of said bank fairly and impartially and without discrimination in favor of or against any member bank or banks and shall, subject to the provisions of law and the orders of the Federal reserve board, extend to each member bank such discounts, advancements, and accommodations as may be safely and reasonably made with due regard for the claims and demands of other member banks.

Such board of directors shall be selected as hereinafter specified and shall consist of nine members, holding office for three years, and divided into three classes, designated as classes A, B, and C.

Class A shall consist of three members, who shall be chosen by and be representative of the stock-holding banks.

Class B shall consist of three members, who at the time of their election shall be actively engaged in their district, respectively, in commerce, in agriculture, and in some other pursuit.

Class C shall consist of three members, who shall be designated by the Federal reserve board.

No director of class B or of class C shall be an officer, director, employee, or stockholder of any bank.

Directors of class A and class B shall be chosen in the following manner:

The chairman of the board of directors of the Federal reserve bank of the district in which the bank is situated shall classify the member banks of the district into three general groups or divisions. Each group shall contain, as nearly as may be, one-third of the aggregate number of the member banks of the district, and shall consist, as nearly as may be, of banks of similar capitalization. The groups shall be designated by number by the chairman.

At a regularly called meeting of the board of directors of each member bank in the district it shall elect by ballot one of its own members as a district reserve elector and shall certify his name to the chairman of the board of directors of the Federal reserve bank of the district. The chairman shall establish lists of the district reserve electors thus named by banks in each of the aforesaid three groups and shall transmit one list to each elector in each group.

Every elector shall, within 15 days after the receipt of the said list, certify to the chairman his first, second, and other choices upon the list, upon a preferential ballot, on a form furnished by the chairman of the board of directors of the Federal reserve bank of the district. Each elector shall make a cross opposite the name of the first, second, and other choices for a director of class A and for a director of class B, but shall not vote more than one choice for any one candidate.

Any candidate having a majority of all votes cast in the column of first choice shall be declared elected. If no candidate have a majority of all the votes in the first column, then there shall be added together the votes cast by the electors for such candidates in the second column to the votes cast for the several candidates in the first column. If any candidate then have a majority of the electors voting by adding together the first and second choices, he shall be declared elected. If no candidate have a majority of electors voting when the first and second choices shall have been added, then the votes cast in the third column for other choices shall be added together in like manner, and the candidate then having the highest number of votes shall be declared elected. An immediate report of election shall be declared.

Three directors belonging to class C shall be appointed directly by the Federal reserve board, and shall have been for at least two years residents of the district for which they are appointed, one of whom shall be designated by said board as chairman of the board of directors of the Federal reserve bank of the district to which he is appointed and shall be designated by said board as "Federal reserve agent." He shall be a person of tested banking experience; and in addition to his duties as chairman of the board of directors of the Federal reserve bank of the district to which he is appointed he shall be required to maintain, under regulations to be established by the Federal reserve board, a local office of said board, which shall be situated on the premises of the Federal reserve bank of the district. He shall make regular reports to the Federal reserve board and shall act as its official representative for the performance of the functions conferred upon it by this act. He shall receive an annual compensation to be fixed by the Federal reserve board and paid monthly by the Federal reserve bank to which he is designated. One of the directors of class C, who shall be a person of tested banking experience, shall be appointed by the Federal reserve board as deputy chairman and deputy Federal reserve agent to exercise the powers of the chairman of the board and Federal reserve agent in case of the absence or disability of his principal.

Directors of Federal reserve banks shall receive, in addition to any compensation otherwise provided, a reasonable allowance for necessary expenses in attending meetings of their respective boards, which amount shall be paid by the respective Federal reserve banks. Any compensation that may be provided by boards of directors of Federal reserve banks for members of such boards shall be subject to review and subsequent readjustment at any time by the Federal reserve board.

The reserve bank organization committee may, in organizing Federal reserve banks for the first time, call such meetings of bank directors in the several districts as may be necessary to carry out the purposes of this act, and may exercise the functions herein conferred upon the chairman of the board of directors of each Federal reserve bank pending the complete organization of such bank.

At the first meeting of the full board of directors of each Federal reserve bank after organization it shall be the duty of the directors of classes A and B and C, respectively, to designate one of the members of each class whose term of office shall expire in one year from the 1st of January nearest to date of such meeting, one whose term of office shall expire at the end of two years from said date, and one whose term of office shall expire at the end of three years from said date. Thereafter every director of a Federal reserve bank chosen as herein-

before provided shall hold office for a term of three years. Vacancies that may occur in the several classes of directors of Federal reserve banks may be filled in the manner provided for the original selection of such directors, such appointees to hold office for the unexpired terms of their predecessors.

STOCK ISSUES; INCREASE AND DECREASE OF CAPITAL.

Sec. 5. The capital stock of each Federal reserve bank shall be divided into shares of \$100 each. The outstanding capital stock shall be increased from time to time as member banks increase their capital stock and surplus or as additional banks become members, and may be decreased as member banks reduce their capital stock or surplus or cease to be members. Shares of the capital stock of Federal reserve banks owned by member banks shall not be transferable, nor be hypothecable. In case a member bank increase its capital stock or surplus it shall thereupon subscribe for an additional amount of capital stock of the Federal reserve bank of its district equal to 6 per cent of the said increase, one-half of said subscription to be paid in the manner hereinbefore provided for original subscription, and one-half subject to call of the Federal reserve board. A bank applying for stock in a Federal reserve bank at any time after the organization thereof must subscribe for an amount of the capital stock of the Federal reserve bank equal to 6 per cent of the paid-up capital stock and surplus of said applicant bank, paying therefor its par value plus one-half of 1 per cent a month from the period of the last dividend. When the capital stock of any Federal reserve bank shall have been increased either on account of the increase of capital stock of member banks or on account of the increase in the number of member banks, the board of directors shall cause to be executed a certificate to the Comptroller of the Currency showing the increase in capital stock, the amount paid in, and by whom paid. In case a member bank reduces its capital stock it shall surrender a proportionate amount of its holdings in the capital of said Federal reserve bank, and in case a member bank goes into voluntary liquidation it shall surrender all of its holdings of the capital stock of said Federal reserve bank and be released from its stock subscription not previously called. In either case the shares surrendered shall be canceled and such member bank shall receive in payment therefor, under regulations to be prescribed by the Federal reserve board, a sum equal to its cash paid subscriptions on the shares surrendered and one-half of 1 per cent a month from the period of the last dividend, not to exceed the book value thereof, less any liability of such member bank to the Federal reserve bank.

Sec. 6. If any member bank shall be declared insolvent and a receiver appointed therefor, the stock held by it in said Federal reserve bank shall be canceled, and all cash-paid subscriptions on said stock, with one-half of 1 per cent per month from the period of last dividend, not to exceed the book value thereof, shall be first applied to all debts of the insolvent member bank to the Federal reserve bank, and the balance, if any, shall be paid to the receiver of the insolvent bank. Whenever the capital stock of a Federal reserve bank is reduced, either on account of a reduction in capital stock of any member bank or of the liquidation or insolvency of such bank, the board of directors shall cause to be executed a certificate to the Comptroller of the Currency showing such reduction of capital stock and the amount repaid to such bank.

DIVISION OF EARNINGS.

Sec. 7. After all necessary expenses of a Federal reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend shall be cumulative. One-half of the net earnings, after the aforesaid dividend claims have been fully met, shall be paid into a surplus fund until such fund shall amount to 40 per cent of the paid-in capital stock of such bank, and of the remaining one-half, 50 per cent shall be paid to the United States as a franchise tax, and 50 per cent shall be paid to the United States as a trustee for the benefit of depositors in failed national banks, the money to be kept in and losses from failures to be paid from it as a depositors' insurance fund under a division of the Treasury to be constituted and managed under such regulations as may be prescribed by the Secretary of the Treasury. All net earnings derived by the United States from Federal reserve banks shall be applied to the reduction of the outstanding bonded indebtedness of the United States under regulations to be prescribed by the Secretary of the Treasury. Should a Federal reserve bank be dissolved or go into liquidation, any surplus remaining, after the payment of all debts, dividend requirements as hereinbefore provided, and the par value of the stock, shall be paid to and become the property of the United States and shall be similarly applied.

Every Federal reserve bank incorporated under the terms of this act, the capital stock and surplus therein and the income derived therefrom shall be exempt from Federal, State, and local taxation, except in respect to taxes upon real estate.

Sec. 8. Any bank incorporated by special law of any State or of the United States, or organized under the general laws of any State or of the United States, and having an unimpaired capital sufficient to entitle it to become a national banking association under the provisions of existing laws, may, by vote of the shareholders owning not less than 51 per cent of the capital stock of such bank or banking association, with the approval of the Comptroller of the Currency, and acting through a committee, organize a national banking association with any name approved by the said comptroller, and transfer its business to such national banking association: *Provided, however,* That said acts are not in contravention of the State or local law. The directors thereof may continue to be the directors of the association so organized until others are elected or appointed in accordance with the provisions of the law. When the comptroller has given to such bank or banking association a certificate that the provisions of this act have been complied with, such bank or banking association, and all its stockholders, officers, and employees, shall have the same powers and privileges, and shall be subject to the same duties, liabilities, and regulations, in all respects, as shall have been prescribed by this act and by the national banking act for associations originally organized as national banking associations.

STATE BANKS AS MEMBERS.

Sec. 9. Any bank incorporated by special law of any State, or organized under the general laws of any State or of the United States, may make application to the reserve bank organization committee, pending organization, and thereafter to the Federal reserve board for the right to subscribe to the stock of the Federal reserve bank organized or to be organized within the Federal reserve district where the applicant is located. The organization committee of the Federal reserve board, under such rules and regulations as it may prescribe, subject to the provisions of this section, may permit the applying bank to become a stockholder in the Federal reserve bank of the district in

which the applying bank is located. Whenever the organization committee or the Federal reserve board shall permit the applying bank to become a stockholder in the Federal reserve bank of the district, stock shall be issued and paid for under the rules and regulations of this act provided for national banks which become stockholders in Federal reserve banks.

The organization committee or the Federal reserve board shall establish by-laws for the general government of its conduct in acting upon applications made by the State banks and banking associations and trust companies for stock ownership in Federal reserve banks. Such by-laws shall require applying banks not organized under Federal law to comply with reserve and capital requirements and to submit to the examination and regulations prescribed by the organization committee or by the Federal reserve board. No applying bank shall be admitted to membership in a Federal reserve bank unless it possesses a paid-up unimpaired capital sufficient to entitle it to become a national banking association in the place where it is situated, under the provisions of the national banking act.

Any bank becoming a member of a Federal reserve bank under the provisions of this section shall, in addition to the regulations and restrictions hereinbefore provided, be required to conform to the provisions of law imposed on the national banks respecting the limitation of liability which may be incurred by any person, firm, or corporation to such banks, the prohibition against making purchase of or loans on stock of such banks, and the withdrawal or impairment of capital, or the payment of unearned dividends, and to such rules and regulations as the Federal reserve board may, in pursuance thereof, prescribe.

Such banks, and the officers, agents, and employees thereof, shall also be subject to the provisions of and to the penalties prescribed by sections 5198, 5200, 5201, and 5208 and 5209 of the Revised Statutes. The member banks shall also be required to make reports of the conditions and of the payments of dividends to the comptroller, as provided in sections 5211 and 5212 of the Revised Statutes, and shall be subject to the penalties prescribed by section 5213 for the failure to make such report.

If at any time it shall appear to the Federal reserve board that a banking association or trust company organized under the laws of any State or of the United States and having become a member bank has failed to comply with the provisions of this section or the regulations of the Federal reserve board, it shall be within the power of the said board, after hearing, to require such banking association or trust company to surrender its stock in the Federal reserve bank; upon such surrender the Federal reserve bank shall pay the cash-paid subscriptions to the said stock with interest at the rate of one-half of 1 per cent per month, computed from the last dividend, if earned, not to exceed the book value thereof, less any liability to said Federal reserve bank, except the subscription liability not previously called, which shall be canceled, and said Federal reserve bank shall, upon notice from the Federal reserve board, be required to suspend said banking association or trust company from further privileges of membership, and shall within 30 days of such notice cancel and retire its stock and make payment therefor in the manner herein provided. The Federal reserve board may restore membership upon due proof of compliance with the conditions imposed by this section.

FEDERAL RESERVE BOARD.

SEC. 10. A Federal reserve board is hereby created which shall consist of seven members, including the Secretary of the Treasury, who shall be a member ex officio, and six members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the six appointive members of the Federal reserve board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the different geographical divisions of the country. The six members of the Federal reserve board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal reserve board and shall each receive an annual salary of \$10,000, together with actual necessary traveling expenses. Of the six members thus appointed by the President at least two shall be persons experienced in banking or finance. One shall be designated by the President to serve for one, one for two, one for three, one for four, one for five, and one for six years, and thereafter each member so appointed shall serve for a term of six years unless sooner removed for cause by the President. Of the six persons thus appointed, one shall be designated by the President as governor and one as vice governor of the Federal reserve board. The governor of the Federal reserve board, subject to its supervision, shall be the active executive officer. The Secretary of the Treasury may assign offices in the Department of the Treasury for the use of the Federal reserve board. Each member of the Federal reserve board shall within 15 days after notice of appointment make and subscribe to the oath of office.

The Federal reserve board shall have power to levy semiannually upon the Federal reserve banks, in proportion to their capital stock and surplus, an assessment sufficient to pay its estimated expenses and salaries of its members and employees for the half year succeeding the levying of such assessment, together with any deficit carried forward from the preceding half year.

The first meeting of the Federal reserve board shall be held in Washington, D. C., as soon as may be after the passage of this act, at a date to be fixed by the reserve bank organization committee. The Secretary of the Treasury shall be ex officio chairman of the Federal reserve board. No member of the Federal reserve board shall be an officer or director of any bank, banking institution, trust company, or Federal reserve bank nor hold stock in any bank, banking institution, or trust company; and before entering upon his duties as a member of the Federal reserve board he shall certify under oath to the Secretary of the Treasury that he has complied with this requirement. Whenever a vacancy shall occur, other than by expiration of term, among the six members of the Federal reserve board appointed by the President, as above provided, a successor shall be appointed by the President, with the advice and consent of the Senate, to fill such vacancy, and when appointed he shall hold office for the unexpired term of the member whose place he is selected to fill.

The President shall have power to fill all vacancies that may happen on the Federal reserve board during the recess of the Senate, by granting commissions which shall expire at the end of the next session of the Senate.

Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury which relate to the supervision, management, and control of the Treasury Department and bureaus under such department, and wherever any power vested by this act in the Federal reserve board or the Federal reserve agent appears to conflict with the powers of the Secretary of the Treasury, such powers shall be exercised subject to the supervision and control of the Secretary.

The Federal reserve board shall annually make a full report of its operations to the Speaker of the House of Representatives, who shall cause the same to be printed for the information of the Congress.

Section 324 of the Revised Statutes of the United States shall be amended so as to read as follows: "There shall be in the Department of the Treasury a bureau charged with the execution of all laws passed by Congress relating to the issue and regulation of national currency secured by United States bonds and, under the general supervision of the Federal reserve board, of all Federal reserve notes, the chief officer of which bureau shall be called the Comptroller of the Currency and shall perform his duties under the general directions of the Secretary of the Treasury."

SEC. 11. The Federal reserve board shall be authorized and empowered:

(a) To examine at its discretion the accounts, books, and affairs of each Federal reserve bank and of each member bank and to require such statements and reports as it may deem necessary. The said board shall publish once each week a statement showing the condition of each Federal reserve bank and a consolidated statement for all Federal reserve banks. Such statements shall show in detail the assets and liabilities of the Federal reserve banks, single and combined, and shall furnish full information regarding the character of the money held as reserve and the amount, nature, and maturities of the paper and other investments owned or held by Federal reserve banks.

(b) To permit or require Federal reserve banks to rediscount the discounted paper of other Federal reserve banks at rates of interest to be fixed each week or oftener by the Federal reserve board.

(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirement specified in this act: *Provided*, That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified, such tax to be uniform in its application to all Federal reserve banks and to member banks, required to keep the same reserves.

(d) To supervise and regulate through the bureau under the charge of the Comptroller of the Currency the issue and retirement of Federal reserve notes, and to prescribe rules and regulations under which such notes may be delivered by the comptroller to the Federal reserve agents applying therefor.

(e) To add to the number of cities classified as reserve and central reserve cities under existing law in which national banking associations are subject to the reserve requirements set forth in section 20 of this act; or to reclassify existing reserve and central reserve cities or to terminate their designation as such.

(f) To suspend or remove any officer or director of any Federal reserve bank, the cause of such removal to be forthwith communicated in writing by the Federal reserve board to the removed officer or director and to said bank.

(g) To require the writing off of doubtful or worthless assets upon the books and balance sheets of Federal reserve banks.

(h) To suspend, for cause relating to violation of any of the provisions of this act, the operations of any Federal reserve bank and take possession thereof and administer the same during the period of suspension.

(i) To require bonds of Federal reserve agents, perform the duties, functions, or services specified or implied in this act, and to make all rules and regulations necessary to enable said board effectively to perform the same.

(j) To exercise general supervision over said Federal reserve banks.

(k) To authorize member banks to use, as reserves, Federal reserve notes, or bank notes based on United States bonds, to the extent that said board may find necessary.

(l) To grant by special permit to national banks applying therefor, when not in contravention of State law, the right to act as trustee, executor, administrator, or registrar of stocks and bonds under such rules and regulations as the said board may prescribe.

FEDERAL ADVISORY COUNCIL.

SEC. 12. There is hereby created a Federal advisory council, which shall consist of as many members as there are Federal reserve districts. Each Federal reserve bank by its board of directors shall annually select from its own Federal reserve district one member of said council, who shall receive such compensation and allowances as may be fixed by his board of directors subject to the approval of the Federal reserve board. The meetings of said advisory council shall be held at Washington, D. C., at least four times each year, and oftener if called by the Federal reserve board. The council may select its own officers and adopt its own methods of procedure, and a majority of its members shall constitute a quorum for the transaction of business. Vacancies in the council shall be filled by the respective reserve banks, and members selected to fill vacancies shall serve for the unexpired term.

The Federal advisory council shall have power, by itself or through its officers, (1) to confer directly with the Federal reserve board on general business conditions; (2) to make oral or written representations concerning matters within the jurisdiction of said board; (3) to call for information and to make recommendations in regard to discount rates, rediscount business, note issues, reserve conditions in the various districts, the purchase and sale of gold or securities by reserve banks, open-market operations by said banks, and the general affairs of the reserve banking system.

POWERS OF FEDERAL RESERVE BANKS.

SEC. 13. Any Federal reserve bank may receive from any of its member banks, and from the United States, deposits of current funds in lawful money, national-bank notes, Federal reserve notes, or checks and drafts upon solvent banks of the Federal reserve system, payable upon presentation; or, solely for exchange purposes, may receive from other Federal reserve banks deposits of current funds in lawful money, national-bank notes, or checks and drafts upon solvent member or other Federal reserve banks, payable upon presentation.

Upon the indorsement of any of its member banks, with a waiver of demand notice and protest by such bank any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes, the Federal reserve board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act. Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise, from being eligible for such discount; but such definition shall not include notes, drafts, or bills covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, ex-

cept bonds and notes of the Government of the United States. Notes, drafts, and bills admitted to discount under the terms of this paragraph must have a maturity at the time of discount of not more than 90 days.

Any Federal reserve bank may discount acceptances which are based on the importation or exportation or domestic shipment of goods and which have a maturity at time of discount of not more than three months, and indorsed by at least one member bank. The amount of acceptances so discounted shall at no time exceed one-half the paid-up capital stock and surplus of the bank for which the rediscounts are made.

The aggregate of such notes and bills bearing the signature or indorsement of any one person, company, firm, or corporation rediscounted for any one bank shall at no time exceed 10 per cent of the unimpaired capital and surplus of said bank; but this restriction shall not apply to the discount of bills of exchange drawn in good faith against actually existing values.

Any national bank may accept drafts or bills of exchange drawn upon it and growing out of transactions involving the importation, exportation, or domestic shipment of goods having not more than six months sight to run; but no bank shall accept such bills to an amount equal at any time in the aggregate to more than one-half its paid-up capital stock and surplus.

Section 5202 of the Revised Statutes of the United States is hereby amended so as to read as follows: No association shall at any time be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following:

First. Notes of circulation.

Second. Moneys deposited with or collected by the association.

Third. Bills of exchange or drafts drawn against money actually on deposit to the credit of the association or due thereto.

Fourth. Liabilities to the stockholders of the association for dividends and reserve profits.

Fifth. Liabilities incurred under the provisions of this act.

The Federal reserve board may authorize the reserve bank of the district to discount the direct obligations of member banks, secured by the pledge and deposit of satisfactory securities; but in no case shall the amount so loaned by a Federal reserve bank exceed three-fourths of the actual value of the securities so pledged.

The rediscount by any Federal reserve bank of any bills receivable and of domestic and foreign bills of exchange and acceptances shall be subject to such restrictions, limitations, and regulations as may be imposed by the Federal reserve board.

OPEN-MARKET OPERATIONS.

SEC. 14. Any Federal reserve bank may, under rules and regulations prescribed by the Federal reserve board, purchase and sell in the open market, at home or abroad, either from or to domestic or foreign banks, firms, corporations, or individuals, cable transfers and bankers' acceptances and bills of exchange of the kinds and maturities by this act made eligible for rediscount with or without the indorsement of a member bank.

Every Federal reserve bank shall have power:

(a) To deal in gold coin and bullion at home or abroad, to make loans thereon, exchange Federal reserve notes for gold, gold coin, or gold certificates, and to contract for loans of gold coin or bullion, giving therefor, when necessary, acceptable security, including the hypothecation of United States bonds or other securities which Federal reserve banks are authorized to hold;

(b) To buy and sell, at home or abroad, bonds and notes of the United States, and bills, notes, revenue bonds, and warrants with a maturity from date of purchase of not exceeding six months, issued in anticipation of the collection of taxes or in anticipation of the receipt of assured revenues by any State, county, district, political subdivision, or municipality in the continental United States, such purchases to be made in accordance with rules and regulations prescribed by the Federal reserve board;

(c) To purchase from member banks and to sell, with or without its indorsement, bills of exchange arising out of commercial transactions, as hereinbefore defined;

(d) To establish from time to time, subject to review and determination of the Federal reserve board, rates of discount to be charged by the Federal reserve bank for each class of paper, which shall be fixed with a view of accommodating commerce and business;

(e) To establish accounts with other Federal reserve banks for exchange purposes and, with the consent of the Federal reserve board, to open and maintain banking accounts in foreign countries, appoint correspondents, and establish agencies in such countries wheresoever it may deem best for the purpose of purchasing, selling, and collecting bills of exchange, and to buy and sell, with or without its indorsement, through such correspondents or agencies, bills of exchange arising out of actual commercial transactions which have not more than 90 days to run and which bear the signature of two or more responsible parties.

GOVERNMENT DEPOSITS.

SEC. 15. The moneys held in the general fund of the Treasury, except the 5 per cent fund for the redemption of outstanding national-bank notes and the funds provided in this act for the redemption of Federal reserve notes may, upon the direction of the Secretary of the Treasury, be deposited in Federal reserve banks, which banks, when required by the Secretary of the Treasury, shall act as fiscal agents of the United States; and the revenues of the Government or any part thereof may be deposited in such banks, and disbursements may be made by checks drawn against such deposits.

No public funds of the Philippine Islands, or of the postal savings, or any Government funds, shall be deposited in the continental United States in any bank not belonging to the system established by this act: *Provided, however,* That nothing in this act shall be construed to deny the right of the Secretary of the Treasury to use member banks as depositories.

NOTE ISSUES.

SEC. 16. Federal reserve notes, to be issued at the discretion of the Federal reserve board for the purpose of making advances to Federal reserve banks through the Federal reserve agents, as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States and shall be receivable for all taxes, customs, and other public dues. They shall be redeemed in gold on demand at the Treasury Department of the United States, in the city of Washington, D. C., or in gold or lawful money at any Federal reserve bank.

Any Federal reserve bank may make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may require. Such application shall be accom-

panied with a tender to the local Federal reserve agent of collateral in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes and bills accepted for rediscount under the provisions of section 13 of this act, and the Federal reserve agent shall each day notify the Federal reserve board of all issues and withdrawals of Federal reserve notes to and by the Federal reserve bank to which he is accredited. The said Federal reserve board shall be authorized at any time to call upon a Federal reserve bank for additional security to protect the Federal reserve notes issued to it.

Every Federal reserve bank shall maintain reserves in gold or lawful money of not less than 35 per cent against its deposits and its Federal reserve notes in actual circulation, but the amount of gold in the Federal reserve bank, together with the amount deposited by it with the Treasury, shall be at least equal to 33 1/3 per cent of the Federal reserve notes issued to said bank and in actual circulation and not offset by gold or lawful money deposited with the Federal reserve agent. The Federal reserve board may notify any Federal reserve bank whose lawful reserve shall be below the amount required to be maintained to make good such reserve, and if such bank shall fail for 30 days thereafter so to make good its lawful reserve, the Federal reserve board may suspend and take possession of such reserve bank and administer the same during the period of suspension. Notes so paid out shall bear upon their faces a distinctive letter and serial number, which shall be assigned by the Federal reserve board to each Federal reserve bank. Whenever Federal reserve notes issued through one Federal reserve bank shall be received by another Federal reserve bank they shall be promptly returned for credit or redemption to the Federal reserve bank through which they were originally issued. No Federal reserve bank shall pay out notes issued through another under penalty of a tax of 10 per cent upon the face value of notes so paid out. Notes presented for redemption at the Treasury of the United States shall be paid out of the redemption fund and returned to the Federal reserve banks through which they were originally issued. Federal reserve notes received by the Treasury otherwise than for redemption may be exchanged for gold out of the redemption fund hereinafter provided and returned to the reserve bank through which they were originally issued, or they may be returned to such bank for the credit of the United States. Federal reserve notes unfit for circulation shall be returned by the Federal reserve agents to the Comptroller of the Currency for cancellation and destruction.

The Federal reserve board shall require each Federal reserve bank to maintain on deposit in the Treasury of the United States a sum in gold sufficient, in the judgment of the Secretary of the Treasury, for the redemption of the Federal reserve notes issued to such bank, but in no event less than 5 per cent; but such deposit of gold shall be counted and included as part of the 33 1/3 per cent reserve hereinbefore required. The board shall have the right, acting through the Federal reserve agent, to grant in whole or in part or to reject entirely the application of any Federal reserve bank for Federal reserve notes; but to the extent that such application may be granted the Federal reserve board shall, through its local Federal reserve agent, supply Federal reserve notes to the bank so applying, and such bank shall be charged with the amount of such notes and shall pay such rate of interest on said amount as may be established by the Federal reserve board, and the amount of such Federal reserve notes so issued to any such bank shall, upon delivery, become a first and paramount lien on all the assets of such bank.

Any Federal reserve bank may at any time reduce its liability for outstanding Federal reserve notes by depositing with the Federal reserve agent its Federal reserve notes, gold, gold certificates, or lawful money of the United States. Federal reserve notes so deposited shall not be reissued, except upon compliance with the conditions of an original issue.

The Federal reserve agent shall hold such gold, gold certificates, or lawful money available exclusively for exchange for the outstanding Federal reserve notes when offered by the reserve bank of which he is a director. Upon the request of the Secretary of the Treasury the Federal reserve board shall require the Federal reserve agent to transmit so much of said gold to the Treasury of the United States as may be required for the exclusive purpose of the redemption of such notes.

Any Federal reserve bank may, at its discretion, withdraw collateral deposited with the local Federal reserve agent for the protection of its Federal reserve notes deposited with it and shall at the same time substitute therefor other like collateral of equal amount, with the approval of the Federal reserve agent, under regulations to be prescribed by the Federal reserve board.

In order to furnish suitable notes for circulation as Federal reserve notes, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved in the best manner to guard against counterfeits and fraudulent alterations, and shall have printed therefrom and numbered such quantities of such notes of the denominations of \$1, \$2, \$5, \$10, \$20, \$50, \$100, as may be required to supply the Federal reserve banks. Such notes shall be in form and tenor as directed by the Secretary of the Treasury under the provisions of this act and shall bear the distinctive numbers of the several Federal reserve banks through which they are issued.

When such notes have been prepared, they shall be deposited in the Treasury, or in the subtreasury or mint of the United States nearest the place of business of each Federal reserve bank, and shall be held for the use of such bank subject to the order of the Comptroller of the Currency for their delivery, as provided by this act.

The plates and dies to be procured by the Comptroller of the Currency for the printing of such circulating notes shall remain under his control and direction, and the expenses necessarily incurred in executing the laws relating to the procuring of such notes, and all other expenses incidental to their issue and retirement, shall be paid by the Federal reserve banks, and the Federal Reserve Board shall include in its estimate of expenses levied against the Federal reserve banks a sufficient amount to cover the expenses herein provided for.

The examination of plates, dies, bed pieces, etc., and regulations relating to such examination of plates, dies, etc., of national-bank notes provided for in section 5174, Revised Statutes, is hereby extended to include Federal reserve notes herein provided for.

Any appropriation heretofore made out of the general funds of the Treasury for engraving plates and dies, the purchase of distinctive paper, or to cover any other expense in connection with the printing of national-bank notes or notes provided for by the act of May 30, 1908, and any distinctive paper that may be on hand at the time of the passage of this act may be used in the discretion of the Secretary for the purposes of this act, and should the appropriations heretofore made be insufficient to meet the requirements of this act in addition to circulating notes provided for by existing law, the Secretary is hereby authorized to use so much of any funds in the Treasury not otherwise

appropriated for the purpose of furnishing the notes aforesaid: *Provided, however*, That nothing in this section contained shall be construed as exempting national banks or Federal reserve banks from their liability to reimburse the United States for any expenses incurred in printing and issuing circulating notes.

Every Federal reserve bank shall receive on deposit from member banks or from Federal reserve banks checks and drafts drawn upon any of its depositors, and when remitted by a Federal reserve bank, checks and drafts drawn by any depositor in any other Federal reserve bank or member bank upon funds to the credit of said depositor in said reserve bank or member bank. Nothing herein contained shall be construed as prohibiting a member bank from making reasonable charges for checks and drafts so debited to its account, or for collecting and remitting funds, or for exchange sold to its patrons. The Federal reserve board may, by rule, fix the charges to be collected by the member banks from its patrons whose checks are cleared through the Federal reserve bank and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve bank.

The Federal reserve board shall make and promulgate from time to time regulations governing the transfer of funds and charges therefor among Federal reserve banks and their branches, and may at its discretion exercise the functions of a clearing house for such Federal reserve banks, or may designate a Federal reserve bank to exercise such functions, and may also require each such bank to exercise the functions of a clearing house for its member banks.

SEC. 17. That so much of the provisions of section 5159 of the Revised Statutes of the United States, and section 4 of the act of June 20, 1874, and section 3 of the act of July 12, 1882, and of any other provisions of existing statutes, as require that before any national banking association shall be authorized to commence banking business it shall transfer and deliver to the Treasurer of the United States a stated amount of United States registered bonds be, and the same is hereby, repealed.

SEC. 18. Any member bank desiring to retire the whole or any part of its circulating notes may file with the Treasurer of the United States an application to sell for its account, at par and interest, United States bonds securing circulation to be retired.

The Treasurer shall, at the end of each quarterly period, furnish the Federal reserve board with a list of such applications, and the Federal reserve board may, in its discretion, require the Federal reserve banks to purchase such bonds from the banks whose applications have been filed with the Treasurer at least 10 days before the end of any quarterly period at which the Federal reserve board may direct the purchase to be made. Upon notice from the Treasurer of the amount of bonds so sold for its account, each member bank shall duly assign and transfer, in writing, such bonds to the Federal reserve bank purchasing the same, and such Federal reserve bank shall thereupon deposit lawful money with the Treasurer of the United States for the purchase price of such bonds, and the Treasurer shall pay to the member bank selling such bonds any balance due after deducting a sufficient sum to redeem its outstanding notes secured by such bonds, which notes shall be canceled and permanently retired when redeemed.

The Federal reserve banks purchasing such bonds shall be required to take out an amount of circulating notes equal to the amount of national bank notes outstanding against such bonds.

Upon the deposit with the Treasurer of the United States bonds so purchased, or any bonds with the circulating privilege acquired under section 4 of this act, any Federal reserve bank making such deposit in the manner provided by existing law shall be entitled to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited. Such notes shall be the obligations of the Federal reserve bank procuring same, and shall be in form prescribed by the Secretary of the Treasury, and to the same tenor and effect as national bank notes now provided by law. They shall be issued under the same terms and conditions as national bank notes. United States bonds bought by a Federal reserve bank against which there are no outstanding national bank notes may be exchanged at the Treasury for one-year gold notes bearing 3 per cent interest. In case of such exchange for one-year notes the reserve bank shall be bound to pay such notes and to receive in payment thereof new 3 per cent one-year Treasury gold notes year by year for the period of 20 years.

BANK RESERVES.

SEC. 19. Demand liabilities within the meaning of this act shall comprise all liabilities maturing within 30 days, and time deposits shall comprise all deposits payable after 30 days.

When the Secretary of the Treasury shall have officially announced, in such manner as he may elect, the establishment of a Federal reserve bank in any district, every subscribing member bank shall establish and maintain reserves as follows:

(a) A bank not in a reserve or central reserve city as now or hereafter defined shall hold and maintain reserves equal to 12 per cent of the aggregate amount of its demand liabilities and 5 per cent of its time deposits, as follows:

In its vaults for a period of 24 months after said date four-twelfths thereof.

In the Federal reserve bank of its district for a period of 6 months after said date, two-twelfths, and for each succeeding 6 months an additional one-twelfth, until five-twelfths have been so deposited, which shall be the amount permanently required.

For a period of 24 months after said date the balance of the reserves may be held in its own vaults, or in the Federal reserve bank, or in banks in reserve or central reserve cities as now defined by law.

After said 24 months' period said reserves, other than those hereinbefore required to be held in the reserve bank, shall be held in the vaults of the member bank or in the Federal reserve bank, or in both, at its option.

(b) A bank in a reserve city, as now or hereafter defined, shall hold and maintain reserves equal to 15 per cent of the aggregate amount of its demand liabilities and 5 per cent of its time deposits, as follows:

In its vaults six-eighths thereof.

In the Federal reserve bank of its district for a period of 6 months after the date aforesaid at least three-fifteenths, and for each succeeding 6 months an additional one-fifteenth, until six-fifteenths have been so deposited, which shall be the amount permanently required.

After said 24 months' period all of said reserves, except those hereinbefore required to be held permanently in the Federal reserve bank, shall be held in its vaults or in the Federal reserve bank, or in both, at its option.

(c) A bank in a central reserve city, as now or hereafter defined, shall hold and maintain a reserve equal to 18 per cent of the aggregate amount of its demand liabilities and 5 per cent of its time deposits, as follows:

In its vaults six-eighths thereof.

In the Federal reserve bank for a period of six months after the date aforesaid at least three-eighths, and permanently thereafter six-eighths.

For a period of 24 months after said date the balance of said reserves shall be held in its own vaults or in the Federal reserve bank at its option.

After said 24 months' period all of said reserves, except those herein permanently required to be held in the Federal reserve bank, shall be held in its own vaults or in the Federal reserve bank, or both, at its option.

Any Federal reserve bank may receive from the member banks as reserves, not exceeding one-half of each installment, eligible paper as described in section 14 properly indorsed and acceptable to the said reserve bank.

If a State bank or trust company is required by the law of its State to keep its reserves either in its own vaults or with another State bank or trust company, such reserve deposits so kept in such State bank or trust company shall be construed, within the meaning of this section, as if they were reserve deposits in a national bank in a reserve or central reserve city for a period of three years after the Secretary of the Treasury shall have officially announced the establishment of a Federal reserve bank in the district in which such State bank or trust company is situated. Except as thus provided no member bank shall keep on deposit with any nonmember bank a sum in excess of 10 per cent of its own paid-up capital and surplus. No member bank shall extend directly or indirectly the benefits of this system to a nonmember bank, except upon written permission of the Federal reserve board, under penalty of suspension.

The reserve carried by a member bank with a Federal reserve bank may, under the regulations and subject to such penalties as may be prescribed by the Federal reserve board, be checked against and withdrawn by such member bank for the purpose of meeting existing liabilities: *Provided, however*, That no bank shall at any time make new loans or shall pay any dividends unless and until the total reserve required by law is fully restored.

United States banks located in Alaska or outside the continental United States may remain nonmember banks, and shall in that event maintain reserves and comply with all the conditions now provided by law regulating them; or said banks, except in the Philippine Islands, may, with the consent of the reserve board, become member banks of any one of the reserve districts, and shall, in that event, take stock, maintain reserves, and be subject to all the other provisions of this act.

SEC. 20. So much of sections 2 and 3 of the act of June 20, 1874, entitled "An act fixing the amount of United States notes, providing for a redistribution of the national bank currency, and for other purposes," as provides that the fund deposited by any national banking association with the Treasurer of the United States for the redemption of its notes shall be counted as a part of its lawful reserve as provided in the act aforesaid, be, and the same is hereby, repealed. And from and after the passage of this act such fund of 5 per cent shall in no case be counted by any national banking association as a part of its lawful reserve.

BANK EXAMINATIONS.

SEC. 21. Every member bank shall be examined by the Comptroller of the Currency at least twice in each calendar year and as much oftener as the Federal reserve board shall consider necessary. The Federal reserve board may authorize examinations by the State authorities to be accepted in the case of State banks and trust companies, and may at any time direct the holding of a special examination. The person making the examination of any member bank shall have power to call together a quorum of the directors of such bank who shall, under oath, state to such examiner the character and circumstances of such of its loans or discounts as he may designate. The Federal reserve board shall fix the salaries of all bank examiners and make report thereof to Congress. The expense of the examinations herein provided for shall be assessed by authority of the Federal reserve board upon the banks examined in proportion to assets or resources held by such banks upon the dates when the various banks are examined.

In addition to the examinations made and conducted by the Comptroller of the Currency, every Federal reserve bank may, with the approval of the Federal reserve agent or of the Federal reserve board, provide for special examination of member banks within its district. Such examination shall be so conducted as to inform the Federal reserve bank under whose auspices it is carried on of the condition of its member banks and of the lines of credit which are being extended by them. Every Federal reserve bank shall at all times furnish to the Federal reserve board such information as may be demanded by the latter concerning the condition of any member bank within the district of the said Federal reserve bank.

No bank shall be subject to any visitatorial powers other than such as are authorized by law or vested in the courts of justice, or such as shall be or shall have been exercised or directed by Congress, or either House thereof, or any committee thereof.

The Federal reserve board shall, at least once each year, order an examination of each Federal reserve bank, and upon joint application of 10 member banks the Federal reserve board shall order a special examination and report of the condition of any Federal reserve bank.

SEC. 22. No member bank or any officer, director, or employee thereof shall hereafter make any loan or grant any gratuity to any examiner of such bank. Any bank officer, director, or employee violating this provision shall be deemed guilty of a misdemeanor and shall be imprisoned not exceeding one year or fined not more than \$5,000, or both; and fined a further sum equal to the money so loaned or gratuity given. Any examiner accepting a loan or gratuity from any bank examined by him or from an officer, director, or employee thereof shall be deemed guilty of a misdemeanor and shall be imprisoned not exceeding one year or fined not more than \$5,000, or both; and fined a further sum equal to the money so loaned or gratuity given; and shall forever thereafter be disqualified from holding office as a national bank examiner. No national bank examiner shall perform any other service for compensation while holding such office for any bank or officer, director, or employee thereof.

Other than the usual salary or director's fee paid to any officer, director, or employee of a member bank and other than a reasonable fee paid by said bank to such officer, director, or employee for services rendered to such bank, no officer, director, employee, or attorney of a member bank shall be a beneficiary of or receive, directly or indirectly, any fee, commission, gift, or other consideration for or in connection with any transaction or business of the bank. No examiner, public or private, shall disclose the names of borrowers or the collateral for loans of a member bank to other than the proper officers of such bank.

without first having obtained the express permission in writing from the Comptroller of the Currency, except when ordered to do so by a court of competent jurisdiction, or by direction of the Congress of the United States, or either House thereof, or any committee thereof. Any person violating any provision of this section shall be punished by a fine of not exceeding \$5,000 or by imprisonment not exceeding one year, or both.

Except so far as already provided in existing laws this provision shall not take effect until 60 days after the passage of this act.

Sec. 23. The stockholders of every national banking association shall be held individually responsible for all contracts, debts, and engagements of such association, each to the amount of his stock therein, at the par value thereof in addition to the amount invested in such stock. The stockholders in any national banking association who shall have transferred their shares or registered the transfer thereof within 60 days next before the date of the failure of such association to meet its obligations, or with knowledge of such impending failure, shall be liable to the same extent as if they had made no such transfer, to the extent that the subsequent transferee fails to meet such liability but this provision shall not be construed to affect in any way any recourse which such shareholders might otherwise have against those in whose names such shares are registered at the time of such failure.

LOANS ON FARM LANDS.

Sec. 24. Any national banking association not situated in a reserve city or central reserve city may make loans secured by improved and unencumbered farm land, situated within its Federal reserve district, but no such loan shall be made for a longer time than five years nor for an amount exceeding 50 per cent of the actual value of the property offered as security. Any such bank may make such loans in an aggregate sum equal to 25 per cent of its capital and surplus.

The Federal reserve board shall have power from time to time to add to the list of cities in which national banks shall not be permitted to make loans secured upon real estate in the manner described in this section.

FOREIGN BRANCHES.

Sec. 25. Any national banking association possessing a capital and surplus of \$1,000,000 or more may file application with the Federal reserve board, upon such conditions and under such regulations as may be prescribed by the said board, for the purpose of securing authority to establish branches in foreign countries or dependencies of the United States for the furtherance of the foreign commerce of the United States and to act, if required to do so, as fiscal agents of the United States. Such application shall specify, in addition to the name and capital of the banking association filing it, the place or places where the banking operations proposed are to be carried on and the amount of capital set aside by the said banking association filing such application for the conduct of its foreign business at the branches proposed by it to be established in such place or places. The Federal reserve board shall have power to approve or to reject such application if, in its judgment, the amount of capital proposed to be set aside for the conduct of foreign business is inadequate or if for other reasons the granting of such application is deemed inexpedient.

Every national banking association which shall receive authority to establish foreign branches shall be required at all times to furnish information concerning the condition of such branches to the Comptroller of the Currency upon demand, and the Federal reserve board may order special examinations of the said foreign branches at such time or times as it may deem best. Every such national banking association shall conduct the accounts of each foreign branch independently of the accounts of other foreign branches established by it and of its home office, and shall at the end of each fiscal period transfer to its general ledger the profit or loss accruing at each branch as a separate item.

Sec. 26. All provisions of this act are to that extent and to that extent only hereby repealed. Nothing in this act contained shall be construed to repeal the parity provision or provisions contained in an act approved March 14, 1900, entitled "An act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes," and the Secretary of the Treasury may for such purposes, or to strengthen the gold reserve, borrow gold on the security of United States bonds or for one-year notes bearing interest at a rate of not to exceed 3 per cent per annum, or sell the same if necessary to obtain gold. When the funds of the Treasury on hand justify, he may purchase and retire such outstanding bonds and notes.

Sec. 27. The provisions of the act of May 30, 1908, authorizing national currency associations, the issue of additional national bank circulation, and creating a National Monetary Commission, which expires by limitation under the terms of such act on the 30th day of June, 1914, are hereby extended to June 30, 1915, and sections 5153, 5172, 5191, and 5214 of the Revised Statutes of the United States, which were amended by the act of May 20, 1908, are hereby reenacted to read as such sections read prior to May 20, 1908, subject to such amendments or modifications as are prescribed in this act.

Sec. 28. If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

Sec. 29. The right to amend, alter, or repeal this act is hereby expressly reserved.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Oklahoma.

Mr. OWEN. Mr. President, several Senators have expressed a desire to speak to-morrow on this matter, and I shall ask that it be temporarily laid aside now; but I should like to say that when we come to consider it I hope that Members of the Senate who desire to express themselves upon it will be prepared to go on with it, because I shall feel obliged to ask for a vote, section by section, as we come to it, and I desire that Senators shall be prepared to offer amendments if they wish to do so.

Mr. GALLINGER. The Senator will not forget that we have a unanimous-consent agreement which takes precedence to-morrow.

Mr. OWEN. Of course I understand that. I do not intend to interfere at all with the unanimous-consent agreement with regard to the Hetch Hetchy bill.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Oklahoma.

Mr. OWEN. If no Senator is ready to discuss the matter, I ask that it be laid aside for the present.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. OWEN. I move that the Senate adjourn.

The motion was agreed to, and (at 9 o'clock and 18 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, December 2, 1913, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

MONDAY, December 1, 1913.

This being the day designated by the Constitution for the annual meeting of Congress, the Members of the House of Representatives assembled in their Hall for the second session of the Sixty-third Congress, and at 12 o'clock noon were called to order by the Speaker.

PRAYER.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

"Our soul waiteth for the Lord; He is our help and shield. For our heart shall rejoice in Him, because we have trusted in His holy name. Let Thy mercy, O Lord, be upon us according as we hope in Thee."

May we realize, O God, that somehow our soul is touched from every angle by Thy soul; that to consciously live in Thee, through Thee, for Thee is life eternal. Under the dispensation of Thy providence we stand here to-day upon the threshold of the regular session of the Sixty-third Congress, confronted by great economical, social, and psychological problems, which involve the welfare of the individual, the home, the Government, and our religious aspirations. Hence we pause and pray most fervently that Thy wisdom may guide and Thy strength sustain these Thy servants in their deliberations.

Especially be with the Speaker of this House that with clear vision and firm hand he may guide to the best results. Be Thou the counselor of our President and his associates that the affairs of State may be wisely and amicably adjusted. May Thy judgments be the judgments of the judiciary that justice tempered with mercy may obtain. That we may grow in everything that pertains to the welfare of not only our people but of all peoples and peace and righteousness more and more abound. To the glory and honor of Thy holy name. Amen.

CALL OF THE ROLL BY STATES.

The SPEAKER. The Clerk will call the roll by States.

The Clerk called the roll by States, when the following Members responded:

ALABAMA.

George W. Taylor. Richmond P. Hobson.
S. Hubert Dent, jr. John L. Burnett.
Henry D. Clayton. Oscar W. Underwood.
Fred L. Blackmon. John W. Abercrombie.
J. Thomas Heflin.

ARIZONA.

Carl Hayden.

ARKANSAS.

Thaddeus H. Caraway. H. M. Jacoway.
William A. Oldfield. Samuel M. Taylor.
John C. Floyd. William S. Goodwin.
Otis T. Wingo.

CALIFORNIA.

William Kent. Everis A. Hayes.
John E. Raker. C. W. Bell.
Charles F. Curry. William D. Stephens.
Julius Kahn. William Kettner.
Denver S. Church.

COLORADO.

Edward T. Taylor. Edward Keating.

CONNECTICUT.

Augustine Lonergan. Jeremiah Donovan.
Thomas L. Reilly. William Kennedy.

DELAWARE.

Franklin Brockson.

FLORIDA.

Stephen M. Sparkman. Emmett Wilson.
Frank Clark. Claude L'Engle.

GEORGIA.

Frank Park. Samuel J. Tribble.
Charles R. Crisp. Thomas W. Hardwick.
William C. Adamson. Dudley M. Hughes.
Gordon Lee.

IDAHO.

Burton L. French. Addison T. Smith.

Martin B. Madden.
James R. Mann.
George E. Gorman.
James T. McDermott.
Adolph J. Sabath.
James McAndrews.
Frank Buchanan.
Charles M. Thomson.
Ira C. Copley.
William H. Hinebaugh.
John C. McKenzie.
Clyde H. Tavenner.

Charles Lieb.
William E. Cox.
Lincoln Dixon.
Ralph W. Moss.
Finly H. Gray.
Charles A. Korbly.

Charles A. Kennedy.
James W. Good.
S. Kirkpatrick.

Daniel R. Anthony, jr.
Philip P. Campbell.
Dudley Doolittle.

A. W. Barkley.
Robert Y. Thomas, jr.
Ben Johnson.
Swagar Sherley.

Albert Estopinal.
H. Garland Dupré.
John T. Watkins.

Asher C. Hinds.
Daniel J. McGillicuddy.

J. Harry Covington.
J. Fred. C. Talbott.
Charles P. Coady.

Allen T. Treadway.
Frederick H. Gillett.
Calvin D. Paige.
Samuel E. Winslow.
John J. Rogers.
Augustus P. Gardner.
Frederick S. Deitrick.

Frank E. Doremus.
Samuel W. Beakes.
J. M. C. Smith.
Edward L. Hamilton.
Carl E. Mapes.

Sydney Anderson.
Charles R. Davis.
Frederick C. Stevens.
George R. Smith.

Ezekiel S. Candler, jr.
Hubert D. Stephens.
Benjamin G. Humphreys.
Thomas U. Sisson.

James T. Lloyd.
William W. Rucker.
Charles F. Booher.
William P. Borland.
Clement C. Dickinson.
Courtney W. Hamlin.
Champ Clark.

Thomas Stout.

John A. Maguire.
C. O. Lobeck.
Dan V. Stephens.

E. E. Reed.

William J. Browning.
J. Thompson Baker.
Thomas J. Scully.
Allan B. Walsh.
William E. Tuttle, jr.

Lathrop Brown.
Denis O'Leary.
Harry H. Dale.
William M. Calder.
John J. Fitzgerald.
Daniel J. Griffin.

ILLINOIS.

Claudius U. Stone.
Louis FitzHenry.
Frank T. O'Hair.
Charles M. Borchers.
Henry T. Rainey.
James M. Graham.
William N. Baltz.
Martin D. Foster.
H. Robert Fowler.
Robert P. Hill.
William E. Williams.

INDIANA.

John A. M. Adair.
Martin A. Morrison.
John B. Peterson.
George W. Rauch.
Cyrus Cline.
Henry A. Barnhart.

IOWA.

Horace M. Towner.
Frank P. Woods.
George C. Scott.

KANSAS.

Guy T. Helvering.
Victor Murdock.

KENTUCKY.

Arthur B. Rouse.
William J. Fields.
John W. Langley.
Caleb Powers.

LOUISIANA.

Walter Elder.
L. Lazaro.
James B. Aswell.

MAINE.

John A. Peters.
Frank E. Guernsey.

MARYLAND.

J. Charles Linthicum.
Frank O. Smith.
David J. Lewis.

MASSACHUSETTS.

William F. Murray.
Andrew J. Peters.
James M. Curley.
John J. Mitchell.
Edward Gilmore.
William S. Greene.
Thomas C. Thacher.

MICHIGAN.

Samuel W. Smith.
Louis C. Cramton.
Francis O. Lindquist.
William J. MacDonald.
Patrick H. Kelley.

MINNESOTA.

Charles A. Lindbergh.
Andrew J. Volstead.
Halvor Steenerson.
James Manahan.

MISSISSIPPI.

Samuel A. Witherspoon.
B. P. Harrison.
Percy E. Quin.
James W. Collier.

MISSOURI.

Richard Bartholdt.
William L. Igoe.
L. C. Dyer.
Walter L. Hensley.
Joe J. Russell.
Thomas L. Rubey.

MONTANA.

John M. Evans.

NEBRASKA.

Charles H. Sloan.
Silas R. Barton.
Moses P. Kinkaid.

NEVADA.

E. E. Roberts.

NEW HAMPSHIRE.

Raymond B. Stevens.

NEW JERSEY.

Archibald C. Hart.
Eugene F. Kinkaid.
Walter L. McCoy.
Edward W. Townsend.
John J. Eagan.

NEW MEXICO.

Harvey B. Fergusson.

NEW YORK.

James H. O'Brien.
Henry M. Goldfogle.
Michael F. Conry.
John F. Carew.
Thomas G. Patten.
Jacob A. Cantor.

Henry George, jr.
Henry Bruckner.
Joseph A. Goulden.
Woodson R. Oglesby.
Benjamin I. Taylor.
Edmund Platt.
Peter G. Ten Eyck.

Claude Kitchin.
Edward W. Pou.
Charles M. Stedman.

Henry T. Helgesen.

Stanley E. Bowdle.
Alfred G. Allen.
Warren Gard.
J. Henry Goeke.
Simeon D. Fess.
J. D. Post.
Frank B. Willis.
Isaac R. Sherwood.
Robert M. Switzer.
Horatio C. Claypool.
Clement Brumbaugh.

Dick T. Morgan.
Charles D. Carter.
Scott Ferris.

Willis C. Hawley.
Nicholas J. Sinnott.

George S. Graham.
J. Hampton Moore.
G. W. Edmonds.
Michael Donohoe.
J. Washington Logue.
Robert E. Difenderfer.
William W. Griest.
John R. Farr.
John J. Casey.
Robert E. Lee.
Edgar R. Klees.
Warren W. Bailey.
Andrew R. Brodbeck.

George F. O'Shaunessy.

Richard S. Whaley.
James F. Byrnes.
Wyatt Aiken.

Richard W. Austin.
John A. Moon.
Cordell Hull.
William C. Houston.
Joseph W. Byrns.

Horace W. Vaughan.
Martin Dies.
Sam Rayburn.
Jack Beall.
Rufus Hardy.
Alexander W. Gregg.
Joe H. Eagle.
George F. Burgess.

Joseph Howell.

Frank L. Greene.

E. E. Holland.
Andrew J. Montague.
Carter Glass.
James Hay.

William E. Humphrey.
Albert Johnson.

Matthew M. Neely.
William G. Brown, jr.
Samuel B. Avis.

Henry A. Cooper.
Michael E. Burke.
John M. Nelson.
William H. Stafford.
John J. Esch.

The SPEAKER. Three hundred and forty-three Members have answered to their names; a quorum.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed the following resolutions: Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

Samuel Wallin.
Charles A. Talcott.
George W. Fairchild.
John R. Clancy.
Serenio E. Payne.
Edwin S. Underhill.
Henry G. Danforth.

NORTH CAROLINA.

Hannibal L. Godwin.
Robert N. Page.
Robert L. Doughton.

NORTH DAKOTA.

George M. Young.

OHIO.

John A. Key.
William G. Sharp.
George White.
William B. Francis.
William A. Ashbrook.
John J. Whitacre.
Ellsworth R. Bathrick.
William Gordon.
Robert J. Bulkley.
Robert Crosser.

OKLAHOMA.

William H. Murray.
Claude Weaver.

OREGON.

A. W. Lafferty.

PENNSYLVANIA.

Charles E. Patton.
Abraham L. Keister.
W. N. Carr.
Henry W. Temple.
Milton W. Shreve.
Jonathan N. Langham.
Willis J. Hulings.
Stephen G. Porter.
M. Clyde Kelly.
Andrew J. Barchfeld.
Arthur R. Rupley.
John M. Morin.
Anderson H. Walters.

RHODE ISLAND.

Ambrose Kennedy.

SOUTH CAROLINA.

David E. Finley.
J. Willard Ragsdale.
Asbury F. Lever.

SOUTH DAKOTA.

Charles H. Burke.

TENNESSEE.

Lemuel P. Padgett.
Thetus W. Sims.
Finis J. Garrett.
Kenneth D. McKellar.

TEXAS.

James P. Buchanan.
Robert L. Henry.
Oscar Callaway.
John H. Stephens.
John N. Garner.
William R. Smith.
Daniel E. Garrett.

UTAH.

Jacob Johnson.

VERMONT.

Frank Plumley.

VIRGINIA.

Charles C. Carlin.
C. Bascom Slamp.
Henry D. Flood.

WASHINGTON.

William L. La Follette.
James W. Bryan.

WEST VIRGINIA.

Hunter H. Moss, jr.
Howard Sutherland.

WISCONSIN.

E. E. Browne.
Thomas F. Konop.
James A. Frear.
Irvine L. Lenroot.

WYOMING.

Frank W. Mondell.

Also:

Resolved, That a committee, consisting of two Senators, be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled, and that Congress is ready to receive any communication he may be pleased to make.

In compliance with the foregoing, the Vice President appointed as said committee Mr. KERN and Mr. GALLINGER.

The message also announced that the Senate had passed without amendment the following House concurrent resolution:

House concurrent resolution 24.

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, the 2d day of December, 1913, at 1 o'clock in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make them.

NOTIFICATION TO THE PRESIDENT.

Mr. UNDERWOOD. Mr. Speaker, I move the adoption of the resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.
The Clerk read as follows:

House resolution 322.

Resolved, That a committee of three be appointed by the Speaker on the part of the House of Representatives to join with the committee on the part of the Senate to wait on the President of the United States and notify him that a quorum of the two Houses is assembled and that Congress is ready to receive any communication that he may be pleased to make.

The question was taken, and the resolution was agreed to.

The SPEAKER. The Chair appoints the gentleman from Alabama [Mr. UNDERWOOD], the gentleman from New York [Mr. FITZGERALD], and the gentleman from Illinois [Mr. MANN].

NOTIFICATION OF THE SENATE.

Mr. FITZGERALD. Mr. Speaker, I offer the following resolution.

The SPEAKER. The Clerk will report the resolution offered by the gentleman from New York.

The Clerk read as follows:

House resolution 323.

Resolved, That a message be sent to the Senate to inform that body that a quorum of the House of Representatives is assembled and that the House is ready for business.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. WATSON, for one week, on account of sickness.

To Mr. PEPPER, indefinitely, on account of serious illness.

To Mr. GERRY, indefinitely, on account of serious illness.

To Mr. WALKER, indefinitely, on account of serious illness.

INSERTION OF ADDRESSES IN THE RECORD.

Mr. HENRY. Mr. Speaker, I ask unanimous consent to insert in the RECORD three addresses by Judge Sam A. Lindsey, of Texas, one entitled "The building of a State," the other "Our rural life and farm problems," the other "The cooperative agricultural plan."

Judge Lindsey is chairman of the Texas Farm Life Commission, and these documents are of great value.

The SPEAKER. The gentleman from Texas [Mr. HENRY] asks unanimous consent to extend his remarks in the RECORD by inserting three speeches made by Judge Lindsey, of Texas.

Mr. BARNHART. Mr. Speaker, some time ago I announced on the floor of the House that, as chairman of the Committee on Printing, I felt it my duty to object to the insertion of all sorts of miscellaneous speeches and newspaper articles in the CONGRESSIONAL RECORD.

I am more firmly convinced than ever that it is the duty of some one to take that position now, because of some wholly superfluous and expensive publications that have been inserted by the unanimous-consent method since that time. While I do not want to offend anyone and do not desire to appear presumptuous in the matter at all, I feel it is the duty of some one to attempt economies in the matter of the public printing, and I give notice now that unless speeches and addresses made elsewhere than on this floor and offered for insertion in the RECORD are delivered by Members of Congress and have reference to public questions in hand, I shall henceforth object, and I object now. [Applause.]

Mr. MANN. Will the gentleman from Indiana [Mr. BARNHART] withhold his objection for a moment?

Mr. BARNHART. I will; yes.

Mr. MANN. As I understand it, these speeches were delivered by one of the commission that went to Europe?

Mr. HENRY. They were.

Mr. MANN. The Senate has printed, by order of the Senate, as Senate documents, a number of speeches and articles upon the subject of rural credits, some of them by members of this

commission. I have taken the trouble to read those with a good deal of interest and, I hope, with some profit. I think it would be desirable to print these things, not in the RECORD, where nobody reads them in the fine print, but as documents, in a limited number, so that the Members of the House who have not had an opportunity to study this subject could get the benefit of the knowledge of these men who went abroad to study it.

Mr. BARNHART. That explanation puts an entirely different phase on the matter, but I shall still object to printing them in the RECORD.

Mr. HENRY. Mr. Speaker, then I ask that these speeches be printed as a House document.

The SPEAKER. The gentleman from Texas changes his request and asks that these speeches be printed as a House document.

Mr. MURDOCK. Mr. Speaker, I ask that the gentleman from Indiana [Mr. BARNHART] withhold his objection, so that I may make an inquiry.

The SPEAKER. The gentleman from Indiana [Mr. BARNHART] has not objected, as the Chair understands it, to these being printed as a document.

Mr. MURDOCK. Then I ask that the gentleman from Texas [Mr. HENRY] withhold his request for a moment. The gentleman from Indiana [Mr. BARNHART] has made an important pronouncement. It has been made before by men who intended to carry it out, and I am among the number. Now, I would like to ask the gentleman from Indiana if he intends to live up to this resolution?

Mr. BARNHART. That is my intention.

Mr. FOSTER. Swear him!

Mr. MURDOCK. Does the gentleman from Indiana [Mr. BARNHART] intend to keep extraneous matter out of the RECORD, except that which takes place in debate?

Mr. BARNHART. Yes; but with the assistance of gentlemen like the gentleman from Kansas [Mr. MURDOCK] and others. It would be too much for any one Member to alone assume the responsibility of keeping the CONGRESSIONAL RECORD clear of superfluous and extraneous matter. It is the duty of every Member of this House, as I look at it, to help prevent the printing of all sorts of "junk," relevant and irrelevant, in the RECORD, and if Members want important documents printed they should introduce resolutions providing therefor in the regular way, and I guarantee that they shall have prompt and courteous consideration by the Committee on Printing.

Mr. MURDOCK. Yes; but every Member of the House does not do it, and nobody does, as a matter of fact.

Mr. MANN. A statement like this is always made, according to my recollection, at every session of Congress.

Mr. BARNHART. I shall do my best at this session to perform my duty in that respect, and ask other Members familiar with public-printing abuses to help me.

Mr. MURDOCK. Yes; this statement is made every year, but nobody lives up to the proposition.

Mr. FITZGERALD. Why does not the gentleman himself live up to it?

Mr. MURDOCK. I did not have the nerve, I will say to the gentleman from New York. [Laughter.]

The SPEAKER. The gentleman from Texas [Mr. HENRY] modifies his request and asks that these three speeches by Mr. Lindsey, of Texas, be printed as a House document. Is there objection?

Mr. FOSTER. Mr. Speaker, I would like to inquire of the gentleman from Texas as to how many copies of this document under the rules will be printed?

Mr. ELDER. Mr. Speaker, I object.

Mr. MANN. Under the rules there will be printed the usual number; about 1,200 or 1,400.

The SPEAKER. The gentleman from Louisiana [Mr. ELDER] objects.

Mr. ELDER. Mr. Speaker, I hope the gentleman from Texas will change that request so that the documents will go to the folding room. I made a statement some time ago of the advantage of having them go to the folding room instead of putting them in the document room.

The SPEAKER. What is the request of the gentleman from Texas?

Mr. HENRY. It is immaterial, Mr. Speaker, whether they go to the document room or to the folding room. I want to accommodate the Members.

Mr. MANN. If the gentleman from Texas will yield—

Mr. HENRY. Yes—

Mr. MANN. If the House should order them to go to the folding room, they would all, as a fact, go to the superintendent of documents in the Printing Office for sale, because under the usual number there are not enough copies printed to give every

Member of the House a copy, and under the law, when that is the case, the surplus goes to the superintendent of documents, so that we would not get any.

Mr. FINLEY. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Texas yield to the gentleman from South Carolina?

Mr. HENRY. I yield to the gentleman for a question.

Mr. FINLEY. I reserve the right to object, Mr. Speaker.

The SPEAKER. The gentleman from South Carolina reserves the right to object.

Mr. FINLEY. I suggest to the gentleman from Texas that he introduce this resolution in the usual form and let the matter go to the Committee on Printing.

Mr. HENRY. This is not an unusual request.

Mr. FINLEY. I suggest that the gentleman let the matter go through the usual form.

Mr. HENRY. I will introduce a resolution to print an additional number if the gentleman wishes it. But here are these addresses, made by a gentleman who was a delegate to Europe and who has brought back valuable information. The Senate has printed a number of these documents, and I see no reason why the Members of the House should not have the benefit of these most important views. We can print these addresses in the shape of a document.

Mr. FINLEY. If the gentleman from Texas will pardon me, my suggestion was not with a view to procuring any number of these documents for myself. But I happen to have some little knowledge relating to printing for Congress, and it is the regular order of business, and it is the rule whenever you come in here with a proposition for printing without investigation by a committee to refer it to the Committee on Printing. Of course, the gentleman from Texas states facts to the House, but the usual course has been—it was so in the last Congress and in preceding Congresses—the rule and the practice have been that such matters go to the Committee on Printing.

Mr. HENRY. Mr. Speaker, Mr. FLETCHER, the Senator from Florida, has caused to be printed a number of these documents, and—

Mr. FINLEY. Mr. Speaker, if the gentleman will permit—

Mr. HENRY. If the gentleman wishes to object to receiving these valuable statements here, throwing light on farm life and upon conditions for better farming and better farm life, of course I shall not obtrude them upon his attention, and before I would have objection made to such a valuable document as this would make, I would prefer to withdraw my request.

Mr. FINLEY. Mr. Speaker, I decline to permit the gentleman from Texas to place me in any such position.

Mr. HENRY. But I shall place the gentleman there if he desires to object.

Mr. FINLEY. I object, then.

The SPEAKER. The gentleman from South Carolina [Mr. FINLEY] objects.

Mr. RAGSDALE. Mr. Speaker, at the last session of Congress, as a member of the Banking and Currency Committee, I tried repeatedly to have hearings before the Banking and Currency Committee in order to get certain information to work on. We were then informed that this body did not have sufficient information to prepare a bill, and—

The SPEAKER. The Chair will suggest to the gentleman that there is not anything before the House.

Mr. RAGSDALE. I am going to bring up this very matter, Mr. Speaker.

The SPEAKER. The gentleman will have to make a motion or submit a request.

Mr. RAGSDALE. I request, then, Mr. Speaker, that this letter and these publications be inserted in the CONGRESSIONAL RECORD, and I do it, Mr. Speaker—

Mr. HARDWICK. Mr. Speaker, that is not in order under the rules.

Mr. RAGSDALE. I will ask the gentleman from Georgia to withhold that for a moment.

The SPEAKER. The gentleman objects.

Mr. RAGSDALE. He can not object to my motion. I am not asking unanimous consent. I am making a motion.

The SPEAKER. The motion is not privileged.

Mr. RAGSDALE. But he does not make the point of order. He simply objects.

The SPEAKER. He has objected under his right. There is an easy way of getting the thing before the House, and that is to introduce it through the basket.

COMMITTEE ON AGRICULTURE.

Mr. LEVER. Mr. Speaker, I ask unanimous consent for the present consideration of the following resolution.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 321.

Resolved, That the Committee on Agriculture of the House be granted permission to hold meetings during the sessions of the House.

The SPEAKER. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, does the gentleman from South Carolina know how many committees have already been granted this privilege?

Mr. LEVER. I do not, Mr. Speaker. This is the customary resolution, as I understand it.

Mr. MANN. I believe it is the customary resolution. The rules provide that no committee of the House, except the Committee on Rules, shall sit during the sessions of the House. It has been customary for nearly every committee to ask for that privilege. I believe the only conspicuous exception is the Committee on Interstate and Foreign Commerce, which has transacted more business than any other committee in the House and which never has asked for that permission. Now we are told that practically all of the committees propose to ask for it, and that it is proposed to have a great many investigations going on, which will take a lot more Members from the House during the sessions of the House; and I am wondering whether it will be possible during this session, as it has not been possible during the session which just closed, to keep enough Democratic Members of the House to make an attendance of respectable size during the session of Congress.

Mr. FOSTER. Democratic attendance is always respectable.

Mr. MANN. I said respectable in size.

Mr. FITZGERALD. Mr. Speaker, the gentleman from Illinois need not worry. There will be enough Democrats here at all times, whenever it is sufficiently important that they be present, to vote for legislation beneficial to the country, which will be bitterly antagonized by gentlemen on that side under the lead of the gentleman from Illinois. [Applause on the Democratic side.]

Mr. MANN. I suppose the gentleman from New York did not consider it important to have a quorum here when he vainly tried for days to get the deficiency appropriation bill passed. [Applause on the Republican side.] Having been absent himself ever since, he now endeavors to tell how many Democratic Members have been here. The gentleman from New York is here so seldom that he does not know. [Laughter.]

Mr. FITZGERALD. Mr. Speaker, the country would not have suffered any—although Members might have been greatly relieved—if the gentleman from Illinois had disappeared for the past two or three months. [Applause and laughter on the Democratic side.]

Mr. MANN. "The gentleman from Illinois" did not disappear, because Congress was in session, and the gentleman from Illinois was where he belonged, where the gentleman from New York was not—present at the meetings of the House.

Mr. FITZGERALD. Mr. Speaker, there was a conspicuous occasion when the gentleman from Illinois was not present, and that was upon the final passage of the tariff bill, when the conference report was brought into this House. [Applause on the Democratic side.]

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. LEVER] for the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

IMPROVEMENT AND DEVELOPMENT OF WATERWAYS.

Mr. GOLDFOGLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address delivered by our associate, Hon. J. HAMPTON MOORE, of Pennsylvania, on the subject of the improvement and development of the waterways, and the resolutions adopted by the Atlantic Deep Waterways Association.

Mr. LAFFERTY. Mr. Speaker, reserving the right to object, I ask the indulgence of the House to say just a word upon this question which has been raised this morning, of printing matter in the RECORD. I, as one Member of this House, have not depended, and will not depend in the future, upon the press of this country for the information that I desire to communicate to my constituents. For that reason I personally deprecate the sentiment that has cropped out here, expressed by some Members, in favor of curtailing what I consider the efficiency of the CONGRESSIONAL RECORD. I deprecate the objection that was made to the publication as a House document of the three addresses of the gentleman from Texas who was on the agricultural commission. I have inquired, and I find that the publication of House documents is cheaper than printing in the CONGRESSIONAL RECORD.

Mr. UNDERWOOD. Mr. Speaker, I demand the regular order.
The SPEAKER. The regular order is, Is there objection to the request of the gentleman from New York?

Mr. LAFFERTY. I do not object, Mr. Speaker.

The SPEAKER. Is there objection?

Mr. MURDOCK. Mr. Speaker, reserving the right to object—

Mr. MADDEN and others. The regular order!

The SPEAKER. The regular order is, Is there objection to the request of the gentleman from New York?

Mr. CANDLER of Mississippi. Mr. Speaker, I would like to ask the gentleman what is his request?

The SPEAKER. The gentleman from New York asks unanimous consent to print in the RECORD the speech of Hon. J. HAMPTON MOORE on the subject of the intercoastal canal. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 7 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 2, 1913, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Interior, transmitting statement of the fiscal affairs of Indian tribes for the fiscal year ended June 30, 1913, as required by law (H. Doc. No. 328); to the Committee on Indian Affairs and ordered to be printed.

2. A letter from the Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1913 from the appropriation "Indian school and agency buildings, 1913," act of March 3, 1911 (H. Doc. No. 329); to the Committee on Indian Affairs and ordered to be printed.

3. A letter from the Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1913 from the appropriation "Indian schools, support" (H. Doc. No. 330); to the Committee on Indian Affairs and ordered to be printed.

4. A letter from the Secretary of the Interior, transmitting statement of cost of survey and allotment work, Indian Service, for fiscal year 1913 (H. Doc. No. 331); to the Committee on Indian Affairs and ordered to be printed.

5. A letter from the Secretary of the Interior, transmitting statement of expenditures for the fiscal year 1913 from the appropriation "Industrial work in care of timber, 1913" (H. Doc. No. 335); to the Committee on Agriculture and ordered to be printed.

6. A letter from the Secretary of the Interior, transmitting a detailed statement of expenditures made for the purpose of encouraging industry among the Indians on the Tongue River Indian Reservation during the fiscal year ended June 30, 1913 (H. Doc. No. 294); to the Committee on Indian Affairs and ordered to be printed.

7. A letter from the Secretary of the Interior, transmitting a detailed report of expenditures for the purpose of encouraging industry among the Indians at various reservations during fiscal year ended June 30, 1913 (H. Doc. No. 295); to the Committee on Indian Affairs and ordered to be printed.

8. A letter from the Secretary of the Interior, transmitting report that there were no Indian hostilities against the United States during the fiscal year ended June 30, 1913 (H. Doc. No. 296); to the Committee on Indian Affairs and ordered to be printed.

9. A letter from the Secretary of the Interior, transmitting a report on the investigation of the conditions on the western Navajo Indian Reservation in Arizona, with respect to the necessity of constructing a bridge across the Moencopí Wash, on said reservation, etc. (H. Doc. No. 298); to the Committee on Indian Affairs and ordered to be printed.

10. A letter from the Secretary of the Interior, transmitting a report that there have been no diversions in appropriations for the several Indian tribes for the fiscal year ended June 30, 1913, as approved March 1, 1907 (34 Stats. L., 1015-16) (H. Doc. No. 333); to the Committee on Indian Affairs and ordered to be printed.

11. A letter from the Secretary of the Interior, transmitting report showing the expenditures for the fiscal year ended June 30, 1913, as required by act approved March 3, 1885 (H. Doc. No. 336); to the Committee on Indian Affairs and ordered to be printed.

12. A letter from the Secretary of the Interior, transmitting report of the expenditures from the permanent fund of the Sioux Indians during fiscal year ended June 30, 1913 (H. Doc. No. 332); to the Committee on Indian Affairs and ordered to be printed.

13. A letter from the Secretary of the Interior, transmitting report showing the diversion of appropriations for the pay of specified employees in the Indian service for the fiscal year ended June 30, 1913 (H. Doc. No. 334); to the Committee on Indian Affairs and ordered to be printed.

14. A letter from the Secretary of the Interior, transmitting report showing distribution of moneys expended for irrigation and drainage, Indian service, fiscal year ended June 30, 1913 (H. Doc. No. 299); to the Committee on Indian Affairs and ordered to be printed.

15. A letter from the Secretary of the Interior, transmitting report of expenditures of moneys carried as "Indian moneys—Proceeds of labor," during the fiscal year ended June 30, 1913 (H. Doc. No. 327); to the Committee on Indian Affairs and ordered to be printed.

16. A letter from the Secretary of the Interior, transmitting supplementary estimate of appropriation for support and education of 700 Indian pupils at the Indian school at Phoenix, Ariz. (H. Doc. No. 292); to the Committee on Indian Affairs and ordered to be printed.

17. A letter from the Secretary of the Interior, transmitting the Twelfth Annual Report of the Reclamation Service (H. Doc. No. 297); to the Committee on Irrigation of Arid Lands and ordered to be printed.

18. A letter from the Acting Secretary of Labor, transmitting a detailed report of expenditures under the appropriation "Miscellaneous expenses, Division of Naturalization, 1913" (H. Doc. No. 293); to the Committee on Appropriations and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 9297) granting an increase of pension to Nelson L. Belle Isle, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BALTZ: A bill (H. R. 9573) to reapportion and rearrange the judicial districts of Illinois, and for other purposes; to the Committee on the Judiciary.

By Mr. ADAMSON: A bill (H. R. 9575) to amend section 20 of the act to regulate commerce approved February 4, 1887, as amended by subsequent acts; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 9576) to provide for a commercial directory and the regulation of transactions of individuals, partnerships, and corporations engaging in interstate commerce; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 9577) to authorize common carriers in interstate commerce to contract with newspapers for publication of schedules and other information, and issue receipts good for payment of transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. PARK: A bill (H. R. 9578) for the reduction of postage on first-class matter to 1 cent per ounce; to the Committee on the Post Office and Post Roads.

By Mr. McANDREWS: A bill (H. R. 9579) providing for a building for post office and other purposes at Cicero, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 9580) providing for a site for public building for post-office purposes and other Government offices at Maywood, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. HINEBAUGH: A bill (H. R. 9581) to provide for a site for a public building for post-office purposes at Morris, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. FERGUSON: A bill (H. R. 9582) to provide for the disposition of grazing lands under the homestead laws, and for other purposes; to the Committee on the Public Lands.

Also (by request), a bill (H. R. 9583) to authorize the allowance and patenting of certain soldiers' additional claims purchased in good faith, relying upon the records of the General Land Office; to the Committee on the Public Lands.

By Mr. HAMIL: A bill (H. R. 9584) to authorize the Secretary of the Treasury of the United States to sell the present old

post office and the site thereof in the city of Jersey City, N. J.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 9585) to authorize the Secretary of the Treasury of the United States to acquire additional land for the site and make further additions to the post-office building at Jersey City, N. J.; to the Committee on Public Buildings and Grounds.

By Mr. LAFFERTY: A bill (H. R. 9586) to provide additional entries for certain homestead entrymen in the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, Utah, Washington, and Wyoming; to the Committee on the Public Lands.

By Mr. MAHAN: A bill (H. R. 9587) authorizing a preliminary examination and survey of the breakwater in the harbor of Stonington, Conn.; to the Committee on Rivers and Harbors.

By Mr. STOUT: A bill (H. R. 9588) to increase the cost, to authorize the enlargement, extension, or remodeling of the public building at Billings, Mont.; to the Committee on Public Buildings and Grounds.

By Mr. GRIEST: A bill (H. R. 9589) authorizing the Secretary of War to donate to the Grand Army post of Manheim, Pa., two bronze or brass cannon or fieldpieces; to the Committee on Military Affairs.

By Mr. FRENCH: A bill (H. R. 9590) to provide for the survey of certain lands in the State of Idaho; to the Committee on Appropriations.

By Mr. PALMER: A bill (H. R. 9591) to permit the manufacture of denatured alcohol by mixing domestic and wood alcohol while in process of distillation; to the Committee on Ways and Means.

By Mr. HENRY: A bill (H. R. 9592) to amend the anti-trust laws of the United States; to the Committee on the Judiciary.

By Mr. ANTHONY: A bill (H. R. 9593) to provide for the monthly payment of pensions, and for other purposes; to the Committee on Invalid Pensions.

By Mr. REILLY of Connecticut: A bill (H. R. 9594) to grant compensation to post-office employees injured in the performance of their duties; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: A bill (H. R. 9595) to amend an act entitled "An act to amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, and all acts amendatory thereof, and to enlarge the powers of the Interstate Commerce Commission," approved June 29, 1906; to the Committee on Interstate and Foreign Commerce.

By Mr. MADDEN: A bill (H. R. 9596) to reclassify the clerks and messengers of the mobile army and promote their efficiency; to the Committee on Military Affairs.

By Mr. CANDLER of Mississippi: A bill (H. R. 9597) to refund to lawful claimants the cotton tax collected for the years 1863, 1864, 1865, 1866, 1867, and 1868; to the Committee on War Claims.

Also, a bill (H. R. 9598) to grant to the several States all the public lands therein for common-school purposes when the same shall become less than 50,000 acres in such State; to the Committee on the Public Lands.

Also, a bill (H. R. 9599) to increase the compensation of rural letter carriers; to the Committee on the Post Office and Post Roads.

By Mr. CARTER: A bill (H. R. 9600) to authorize certain changes in homestead allotments of the Choctaw and Chickasaw Indians in Oklahoma; to the Committee on Indian Affairs.

By Mr. KENNEDY of Connecticut: A bill (H. R. 9659) to amend the act approved September 18, 1913, relating to the free importation of articles to be exhibited at the Panama-Pacific Exposition; to the Committee on Ways and Means.

By Mr. SINNOTT: Concurrent resolution (H. Con. Res. 25) authorizing and directing the Secretary of War to appoint two members of the project board of consulting engineers of the War Department to assist and cooperate with the committee appointed by the State of Oregon to investigate and examine the Dalles power project on the Columbia River; to the Committee on Rivers and Harbors.

By Mr. HOBSON: Joint resolution (H. J. Res. 152) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. GRAY: Joint resolution (H. J. Res. 153) to provide for the invitation, reception, and entertainment of members of the parliaments and national legislative bodies of the world, and to authorize an assembly of such members to secure the immediate suspension of increased naval construction by international agreement to be entered into by such assembly; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 9601) granting an increase of pension to Sarah A. Purdy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9602) granting an increase of pension to Samuel Ginger; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 9603) granting a pension to Caroline Grimm; to the Committee on Invalid Pensions.

By Mr. BROWN of West Virginia: A bill (H. R. 9604) granting an increase of pension to Andrew Werner; to the Committee on Invalid Pensions.

By Mr. CAMPBELL: A bill (H. R. 9605) granting a pension to Edmon Boydston; to the Committee on Pensions.

Also, a bill (H. R. 9606) granting an increase of pension to Frank E. Bales; to the Committee on Pensions.

Also, a bill (H. R. 9607) granting an increase of pension to John H. Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9608) granting an increase of pension to Jefferson Hurst; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9609) granting an increase of pension to Solomon Lawler; to the Committee on Invalid Pensions.

By Mr. COPLEY: A bill (H. R. 9610) granting a pension to Julia and Katherine Sherwood; to the Committee on Pensions.

Also, a bill (H. R. 9611) granting an increase of pension to Edgar H. Sampson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9612) granting an increase of pension to Phebe Ann Blissett; to the Committee on Invalid Pensions.

By Mr. DONOHUE: A bill (H. R. 9613) to correct the military record of James Barton; to the Committee on Military Affairs.

Also, a bill (H. R. 9614) granting an increase of pension to Sarah A. Seads; to the Committee on Invalid Pensions.

By Mr. EDMONDS: A bill (H. R. 9615) correcting the military record of Benjamin F. Richardson; to the Committee on Military Affairs.

Also, a bill (H. R. 9616) granting a pension to Thomas P. Lee; to the Committee on Invalid Pensions.

By Mr. ESTOPINAL: A bill (H. R. 9617) granting an honorable discharge to Phillip Saint Seve, alias Phillip Sanzaebel; to the Committee on Military Affairs.

Also, a bill (H. R. 9618) granting an honorable discharge to Joseph L. Galle; to the Committee on Military Affairs.

By Mr. FERGUSSON: A bill (H. R. 9619) granting an increase of pension to Alcaria Bowles; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 9620) granting relief to the heirs of Elizabeth Brooks; to the Committee on Claims.

By Mr. HARDWICK: A bill (H. R. 9621) granting a pension to Horace Hudson; to the Committee on Pensions.

By Mr. HELGESEN: A bill (H. R. 9622) providing for the relief of the heirs of Waldo M. Potter, deceased; to the Committee on Claims.

By Mr. HENSLEY: A bill (H. R. 9623) for the relief of the heirs of James Knight, deceased; to the Committee on War Claims.

By Mr. KENNEDY of Rhode Island: A bill (H. R. 9624) granting a pension to Charles H. Bascombe; to the Committee on Pensions.

By Mr. KIESS of Pennsylvania: A bill (H. R. 9625) granting a pension to Jennie Fritz; to the Committee on Invalid Pensions.

By Mr. LAFFERTY: A bill (H. R. 9626) granting an increase of pension to Joseph Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9627) granting an increase of pension to Chester W. Lynds; to the Committee on Invalid Pensions.

By Mr. LEWIS of Maryland: A bill (H. R. 9628) to refund to the corporate authorities of Frederick City, Md., the sum of \$200,000 exacted of them by the Confederate Army under Gen. Jubal Early, July 9, 1864, under penalty of burning said city; to the Committee on War Claims.

By Mr. MCGILLICUDDY: A bill (H. R. 9629) for the relief of Nathan Lawrence Meands; to the Committee on Naval Affairs.

By Mr. MOORE: A bill (H. R. 9630) to place the name of ex-Capt. Shreve Ackley upon the unlimited retired list of the Army; to the Committee on Military Affairs.

By Mr. MORGAN of Oklahoma: A bill (H. R. 9631) authorizing the President to nominate and, by and with the advice and consent of the Senate, appoint Elsworth Wilson, a first lieutenant in the Medical Reserve Corps of the United States Army,

a first lieutenant in the Medical Corps on the retired list, and increasing the retired list by one for the purposes of this act; to the Committee on Military Affairs.

By Mr. PATTON of Pennsylvania: A bill (H. R. 9632) granting an increase of pension to Andrew J. Duryae; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9633) granting an increase of pension to Mary A. Andrews; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 9634) granting a pension to Sarah M. Sullens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9635) granting a pension to Mary McKee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9636) granting a pension to Rachel Millert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9637) granting a pension to Walter L. Hart; to the Committee on Pensions.

Also, a bill (H. R. 9638) granting a pension to Samantha Buvinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9639) granting a pension to Carl L. Austin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9640) granting a pension to Eliza Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9641) granting an increase of pension to Peter Burns; to the Committee on Pensions.

Also, a bill (H. R. 9642) for the relief of Capt. Richard Hulett; to the Committee on Claims.

Also, a bill (H. R. 9643) correcting the military record of A. P. Armstrong; to the Committee on Military Affairs.

Also, a bill (H. R. 9644) to remove the charge of desertion from the record of Luther Cline; to the Committee on Military Affairs.

By Mr. REILLY of Connecticut: A bill (H. R. 9645) to remove the charge of desertion from the military record of the late Page Lucas; to the Committee on Military Affairs.

By Mr. RUSSELL: A bill (H. R. 9646) granting a pension to Henrietta M. Majors; to the Committee on Invalid Pensions.

By Mr. SMITH of Maryland: A bill (H. R. 9647) granting a pension to Anna Dora Carlson; to the Committee on Pensions.

Also, a bill (H. R. 9648) granting an increase of pension to Thomas C. Helmling; to the Committee on Pensions.

Also, a bill (H. R. 9649) for the relief of the estate of George Forbes; to the Committee on War Claims.

By Mr. STEVENS of Minnesota: A bill (H. R. 9650) granting an increase of pension to Louis Westhauser; to the Committee on Pensions.

By Mr. THOMAS: A bill (H. R. 9651) granting a pension to Samuel Burgess; to the Committee on Pensions.

By Mr. WHITACRE: A bill (H. R. 9652) granting a pension to Robert D. Patterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9653) granting an increase of pension to John McCane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9654) granting an increase of pension to Daniel Ruff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9655) granting an increase of pension to Chalkley Milbourne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9656) granting an increase of pension to Robert R. Van Tine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9657) granting an increase of pension to John A. Sapp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9658) granting an increase of pension to Jesse W. Shaw; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Petitions of the members of the St. Louis Clearing House Association, favoring amendments to the banking and currency bill; to the Committee on Banking and Currency.

Also (by request), petition of the National Federation Retail Merchants, of Lexington, Mo., favoring passage of bill to regulate mail-order houses; to the Committee on Ways and Means.

By Mr. ALLEN: Memorial of the Cincinnati Chamber of Commerce, favoring plan to suspend naval construction for one year; to the Committee on Naval Affairs.

By Mr. ASHBROOK: Petition of Metzler & Robinson and 11 other merchants of Coshocton, Ohio, favoring the passage of legislation compelling concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the development of the local community, county, and State; to the Committee on Ways and Means.

By Mr. BURKE of Wisconsin: Petition of merchants and business men of Horicon, Columbus, Cedarburg, Watertown, Jefferson, Fort Atkinson, Pardeeville, Cambria, Lowell, Schleislingerville, Crafton, and Rio, Wis., all in the second congressional district of Wisconsin and all favoring the passage of House bill 5308, compelling concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the development of the local community, county, and State; to the Committee on Ways and Means.

Also, petition of Manufacturers' Association of Sheboygan, Wis., protesting against the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

Also, evidence in support of bill (H. R. 7907) granting a pension to Anna Windmeister; to the Committee on Invalid Pensions.

Also, evidence in support of bill (H. R. 875) granting an increase of pension to James L. Ackley; to the Committee on Invalid Pensions.

Also, evidence in support of bill (H. R. 866) granting a pension to Jennie B. Wright; to the Committee on Invalid Pensions.

By Mr. DALE: Memorial of the National Farmers' Educational and Cooperative Union of America, protesting against gambling in cotton futures; to the Committee on the Judiciary.

Also, petition of Oliver Bros. Purchasing Co., of New York, favoring the retention of the Seattle assay office; to the Committee on Appropriations.

By Mr. ESCH: Memorial of the National Farmers' Educational and Cooperative Union of America, protesting against gambling in cotton futures; to the Committee on the Judiciary.

By Mr. FITZGERALD: Petition of the board of governors of the Tampa Board of Trade, favoring the passage of House bill 8199, relative to a drainage fund, etc.; to the Committee on Rivers and Harbors.

By Mr. HINDS: Petition of mass meeting in Portland, Me., protesting against the alleged discrimination shown against colored employees of the Government; to the Committee on the Judiciary.

By Mr. LANGLEY: Petition of Grant Witt and others, of Winchester, Ky., favoring passage of House bill 5308; to the Committee on Ways and Means.

By Mr. LEVY: Memorial of the People's Institute, relative to reducing the high cost of living through the parcel post; to the Committee on the Post Office and Post Roads.

Also, petition of the Manufacturers' Association of New York, favoring amendments to the bill known as the Federal reserve act; to the Committee on Banking and Currency.

By Mr. MAHAN: Petition of the Central Labor Union of Meriden, Conn., favoring the passage of House bill 1873, relative to bettering the conditions of employees, laborers, and persons engaged in agriculture or horticulture; to the Committee on the Judiciary.

By Mr. MOORE: Petition of Philadelphia (Pa.) Board of Trade, protesting against the passage of Senate bill 136, relative to sailors in the merchant marine; to the Committee on the Merchant Marine and Fisheries.

By Mr. MURDOCK: Petition of the Progressive Party Clubs, of St. Louis and St. Louis County, Mo., for the relief of the people of St. Louis and vicinity from the extortionate practices of the Keokuk Dam Co. and its subsidiaries; to the Committee on the Judiciary.

By Mr. REILLY of Connecticut: Petition of the Central Labor Union of Meriden, Conn., favoring passage of the Bartlett-Bacon bills; to the Committee on the Judiciary.

By Mr. SHARP: Petition of the Knights of Columbus of the city of Lorain, Ohio, favoring the passage of legislation to prohibit the circulation through the mails of the publication called Menace; to the Committee on the Post Office and Post Roads.

Also, memorial of the convention of Ohio bankers, at Columbus, Ohio, favoring certain changes in the pending banking and currency bill; to the Committee on Banking and Currency.

Also, memorial of the Oberlin Board of Commerce, favoring Government buildings for our representatives in foreign countries; to the Committee on Foreign Affairs.

By Mr. SMITH of New York: Petition of the Buffalo Chamber of Commerce, favoring the passage of the Ransdell-Humphreys bill for the prevention of floods on the lower Mississippi River; to the Committee on Rivers and Harbors.

By Mr. WALLIN: Petitions of the United States Confectioners Supply Co.; Hull, Crippen & Co.; Kuhn, Loeb & Co., of New York, and the Shipmasters' Association, of Detroit, Mich., favoring an amendment to the seamen's bill; to the Committee on the Merchant Marine and Fisheries.